



2022 BANK IMPACT REPORT



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About the Report

THIS REPORT IS TO SUMMARIZE THE RESULTS OF THE BANK'S WORK AND HIGHLIGHT THE IMPORTANCE OF THE ENVIRONMENTAL AND SOCIAL ISSUES THAT REQUIRE THE SUPPORT OF BIG BUSINESS

In 2023, Gazprombank is releasing its third report on activities in the field of sustainable development. The report has changed over the years. In 2021, the Bank released one on sustainable development, after which it carried out a large-scale assessment of its environmental and social activities and projects. In the course of analyzing the Bank's portfolio, which includes Russian carbon-intensive companies (in oil and gas, coal sector as well as heavy industry) and large infrastructure projects in Russia and abroad, as well as after expert interviews with the company's management, the Bank identified its core areas of influence and decided to publish the Impact Report in 2022 to highlight the work done and the importance of environmental and social issues that require support from big business.

In 2023, it was decided that for the period from 1 January 2022 until 31 December 2022, the report would be released in the form of an Impact Report with the focus on the Bank's environmental and social responsibilities.

The sustainable development data presented in the Report relates to the banking entity Bank GPB (JSC). The information contained in this Report has been consolidated in accordance with the international principles of sustainable development and incorporates the current responsible investment and financing practices adopted by Gazprombank.

2022: The Year of Change and Opportunity

2022 SAW AN INCREASE IN THE MAIN RISKS TO FINANCIAL SYSTEMS, WHICH CALLED FOR MARKET PARTICIPANTS, INCLUDING BANKS, TO TIMELY AND EFFICIENTLY RESPOND TO THE EMERGING CHALLENGES AND MINIMIZE NEGATIVE CONSEQUENCES FOR ALL STAKEHOLDERS

Gazprombank proved itself to be very flexible and quick to adapt in these turbulent times. We were able to adjust or rebuild our processes to efficiently manage the increased risks and navigate the difficult market landscape. This year proved yet again that the Bank's main asset is the people, its employees. We faced these challenges not only as a business but also as an organization responsible for almost 27 thousand people across the country, which is why we focused on social, financial, and, what's especially important, psychological support programs.

Focusing on people, be it our employees, customers, or partners, is an important priority on the Bank's sustainable development agenda, but it's not the only one. Continuing to build on its expertise in sustainable development, Gazprombank emphasizes not only social responsibility but care for the environment as well. We keep implementing projects in this area based on a risk-oriented approach as it is reasonable and ethical, and this has been part of our brand identity for many years now. This is also largely connected with the Bank's key areas of focus, such as financing major infrastructure projects to support the low-carbon economy.

Sustainability is a continuing global trend. Russia's largest partners are making ambitious climate commitments while protecting their national interests in economic and technological development. Today, Russia, China, India, the Middle East, and countries in the Asia-Pacific region, Africa, and Latin America can find many issues to join efforts for and cooperate to realize sustainable development goals. Russia confirms the understanding of the opportunities provided by the sustainable development agenda for the development of both the country itself and its international partnerships at the highest level. This is why sustainable development remains one of the key topics for federal forums, and the related legislation continues to evolve.

All this tells us that the Bank was right to set the course for introducing sustainability principles in its operations, and we will keep on improving and expanding our competencies in this area.

Focus
on people

About the Bank

AS ONE OF THE LEADING FINANCIAL AND CREDIT ORGANIZATIONS IN THE DOMESTIC MARKET, GAZPROMBANK TAKES AN ACTIVE PART IN ALL THE IMPORTANT AREAS OF THE SUSTAINABLE DEVELOPMENT AGENDA

Gazprombank has been partnering public organizations, educational institutions and sports associations for many years. Moreover, in its core business, the Bank is the leader in financing large infrastructure projects such as road junctions, schools, hospitals, and other facilities. The Bank makes investments to help solve pressing social and economic issues and contributes to the creation of an infrastructure that would benefit the country's regions, provides optimal working conditions and good benefits, as well as promotes professional and personal growth of its employees. This is evidenced by a large number of professional awards in the field of sustainable development. The perception of the Bank as a socially responsible company has also been consistently improving, from 8.1% in 2021 when this metric was introduced to 9.0% in 2022.

Additionally, the Bank is now taking great pains to protect the environment, combat climate change and reduce its own negative impact on the environment. In particular, the Bank prioritizes projects able to demonstrate high levels of environmental efficiency when considering financing and investments. Gazprombank has confirmed its position as the major player in responsible financing. It is a leader in the market for project financing of complex structured products and transactions as a long-term systemic investor in the Russian industry and the development of its energy sector. As of the end of 2022, the total budget of infrastructure projects financed with Gazprombank's participation amounted to over RUB 2.2 trillion.

The Bank can have a positive impact:

GAZPROMBANK'S CUSTOMERS INCLUDE

ABOUT **4 M**
INDIVIDUALS

AND ABOUT **92 K**
LEGAL ENTITIES

Special attention is given to projects aimed at resolving global, national and regional environmental problems, mitigating climate change and preserving biological diversity. Moreover, the Bank is an active participant in the emerging carbon regulation, supporting the carbon unit registry launched in Russia on 1 September 2022. The Bank strives to reduce its own impact on climate change by setting key performance indicators to reduce resource consumption and GHG emissions.

Direct Economic Value Distributed

Direct Economic Value Distributed, RUB million

	2019	2020	2021	2022
Payroll expenses	55 015	60 315	81 280	87 062
Operating expenses, including rent, IT services, communication and security, and depreciation of fixed and intangible assets	18 597	23 898	38 249	42 084
Charity	7 380	6 958	10 119	11 103
Interest costs on securities issued (payments to investors)	22 366	23 698	20 231	29 436

Prepared based on the annual accounting (financial) statements of Gazprombank (Joint Stock Company) for 2020, 2021, and 2022. Data for 2021 (all) adjusted on the basis of the Report on Financial Results (Published) for 2022.

Geographical Presence

Gazprombank's regional network in Russia comprises

20 BRANCHES

LOCATED IN 68 REGIONS,
FROM KALININGRAD TO YUZHNO SAKHALINSK

Gazprombank's regional network in Russia comprises 20 branches located in 68 regions, from Kaliningrad to Yuzhno Sakhalinsk. Gazprombank has Representative Offices in the capitals of five countries:

- Astana (Kazakhstan)
- Beijing (China)
- Ulaanbaatar (Mongolia)
- New Delhi (India)
- Tashkent (Uzbekistan)

As of 31 December 2022, Bank GPB (JSC) had the following branches in the regions of its geographical presence:

CENTRAL FEDERAL DISTRICT:

- Central Branch (Krasnogorsk, Moscow Region)
- Mid-Russian Branch (Tula)
- Central Black Earth Branch (Voronezh)

NORTHWESTERN FEDERAL DISTRICT:

- Northwestern Branch (St. Petersburg)
- Branch in Kaliningrad

SOUTHERN FEDERAL DISTRICT:

- Southern Branch (Krasnodar)

NORTH CAUCASIAN FEDERAL DISTRICT:

- North Caucasian Branch (Stavropol)

VOLGA FEDERAL DISTRICT:

- Privolzhskiy Branch (Nizhny Novgorod)
- Branch in Ufa
- West Ural Branch (Perm)
- Povolzhskiy Branch (Samara)
- Branch in Kazan

URAL FEDERAL DISTRICT:

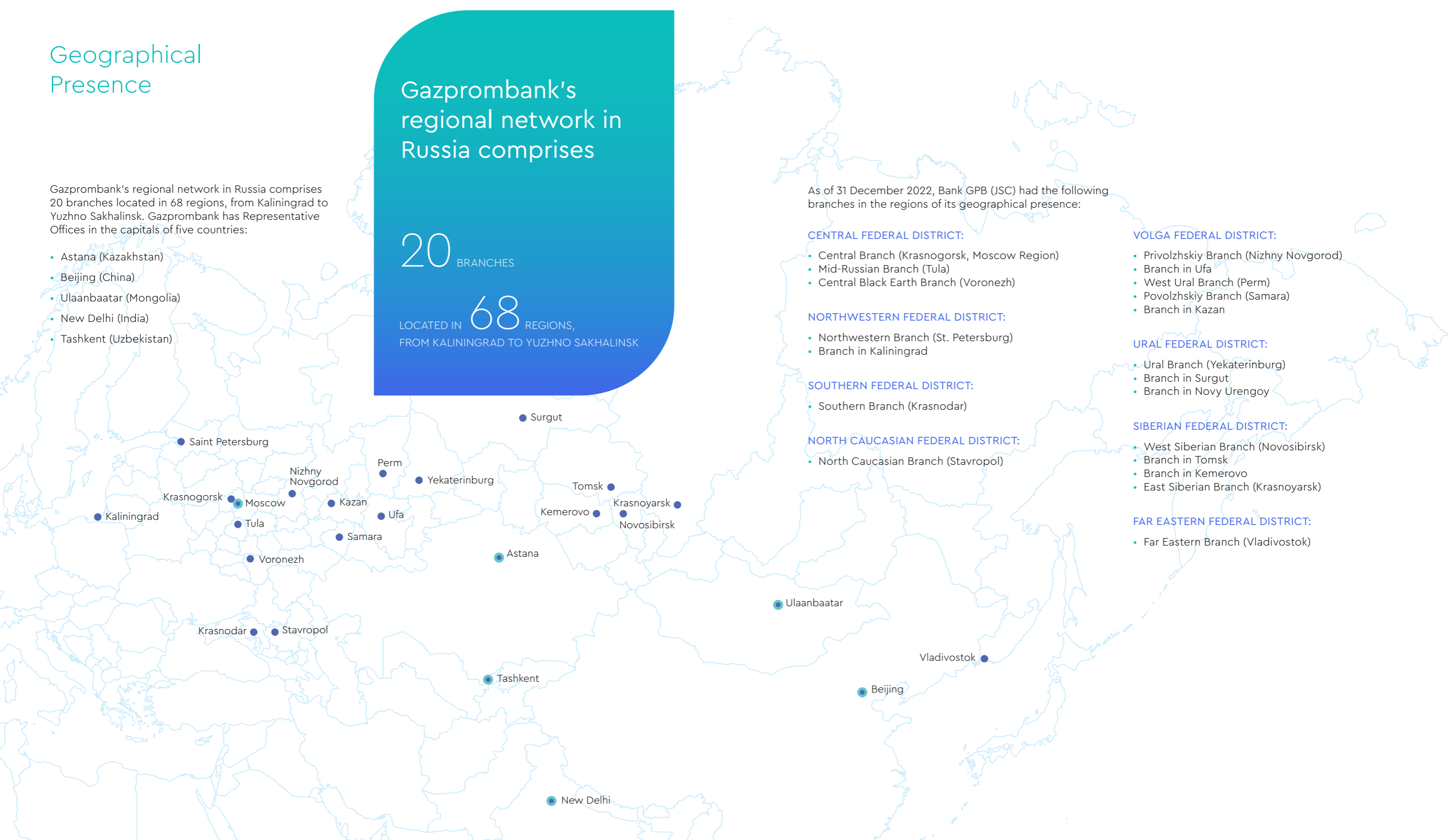
- Ural Branch (Yekaterinburg)
- Branch in Surgut
- Branch in Novy Urengoy

SIBERIAN FEDERAL DISTRICT:

- West Siberian Branch (Novosibirsk)
- Branch in Tomsk
- Branch in Kemerovo
- East Siberian Branch (Krasnoyarsk)

FAR EASTERN FEDERAL DISTRICT:

- Far Eastern Branch (Vladivostok)



Gazprombank's Corporate Values

GAZPROMBANK BELIEVES IN THE DEVELOPMENT OF THE ENVIRONMENT, CORPORATE ENTITIES, AND PEOPLE, AND IS OF THE OPINION THAT TO CONFIDENTLY MOVE FORWARD, IT MUST CREATE A FAVORABLE WORKING ENVIRONMENT AT ALL LEVELS. THE BANK IS THEREFORE ENGAGED IN THE CULTIVATION OF PEOPLE, THEIR IDEAS, BUSINESSES AND COMPANIES, SOCIETY, AND THE COUNTRY AT LARGE

The main values, principles, standards, and norms of behavior of all Bank employees are defined in the Bank's Corporate Ethics Code, which is authorized and approved by the Bank's Management Board. The Corporate Ethics Code is drafted in accordance with the current legislation of the Russian Federation, all applicable provisions of the international law, the requirements of the national and international standards in respect to the corporate ethics, and the Bank's internal regulations.

The principles of sustainable development are incorporated by the Bank into the training and activities it provides for its staff. The Bank regularly organizes in-house events for its employees, which are aimed at increasing the levels of environmental and social awareness.

Prior to commencing their official duties, all new employees are familiarized with the values, principles, standards, and norms of conduct enshrined in the Bank's internal documents. The values, principles, standards, and norms of behavior expected of the Bank's employees are available for viewing on the Bank's official website and may be accessed by management bodies, employees, business partners, and other third parties. The core values include:

LEGALITY

- The Bank operates in strict compliance with the current legislation of the Russian Federation and international standards.

PROACTIVITY

- The Bank monitors the development of companies from the business sectors it is willing to support and actively offers its services to them.
- The Bank strives to be one step ahead of the needs of its customers.

OPENNESS

- The Bank values feedback from its customers, counterparties and partners, takes it into account during its development and is open to dialog.
- The Bank quickly adapts to the changing external environment.
- The Bank is open to people.

RESPONSIBILITY

- The Bank contributes to the development of society, the environment and people's wellbeing.
- The Bank is liable for diligent work to its shareholders, employees, customers and society.
- The Bank takes part in sustainable development projects and takes into account how its operation affects the environment.
- The Bank always fulfills its obligations.

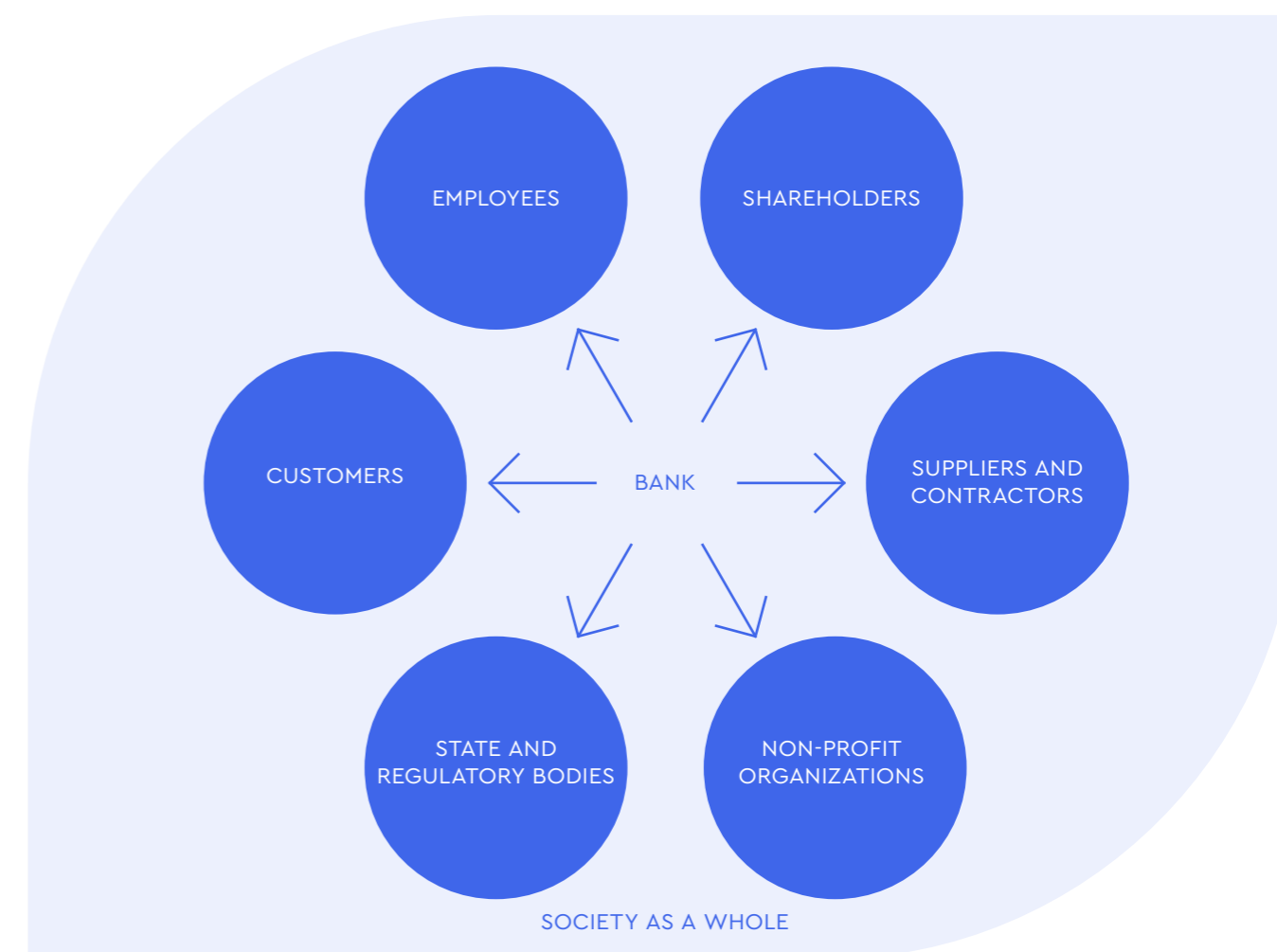
EMPATHY AND FOCUS ON PEOPLE

- The Bank is looking for various solutions to the arising issues and discusses the options with the parties involved.
- The Bank strives to find a solution that benefits all the parties.
- It is important for the Bank to create an atmosphere of mutual respect, trust and partnership within the team and during interaction with customers.
- Each person is important to the Bank.

The Bank's Stakeholders

COOPERATION WITH STAKEHOLDERS AND CREATION OF ADDITIONAL VALUE FOR THEIR BENEFIT IS ONE OF GAZPROMBANK'S STRATEGIC GOALS

Regular communication is established with individuals or legal entities whose actions, interests, or security may be affected by the Bank's activities or whose activity may have a potential impact on the Bank. The stakeholders include:



Read more about the Bank's relations with its stakeholders in the section Impact Areas of Gazprombank's Activities in the Field of Sustainable Development (Section 2, pages 24–29).

SUSTAINABLE DEVELOPMENT AT GAZPROMBANK IN 2022

- RENEWABLE ENERGY INVESTMENT LEADER IN RUSSIA WITH A RUB 228 BILLION PROJECT PORTFOLIO AS OF THE END OF 2022
- ONE OF 7 RUSSIAN BANKS PARTICIPATING IN THE UNEP FINANCE INITIATIVE
- INFRASTRUCTURE INVESTOR NO. 1 IN TERMS OF CREDIT FINANCING (ACCORDING TO THE NATIONAL ASSOCIATION OF CONCESSIONAIRES AND LONG-TERM INVESTORS)
- TOP 5 BEST EMPLOYERS AMONG BANKS AND TOP 20 BEST EMPLOYERS NATIONWIDE (ACCORDING TO HEADHUNTER)



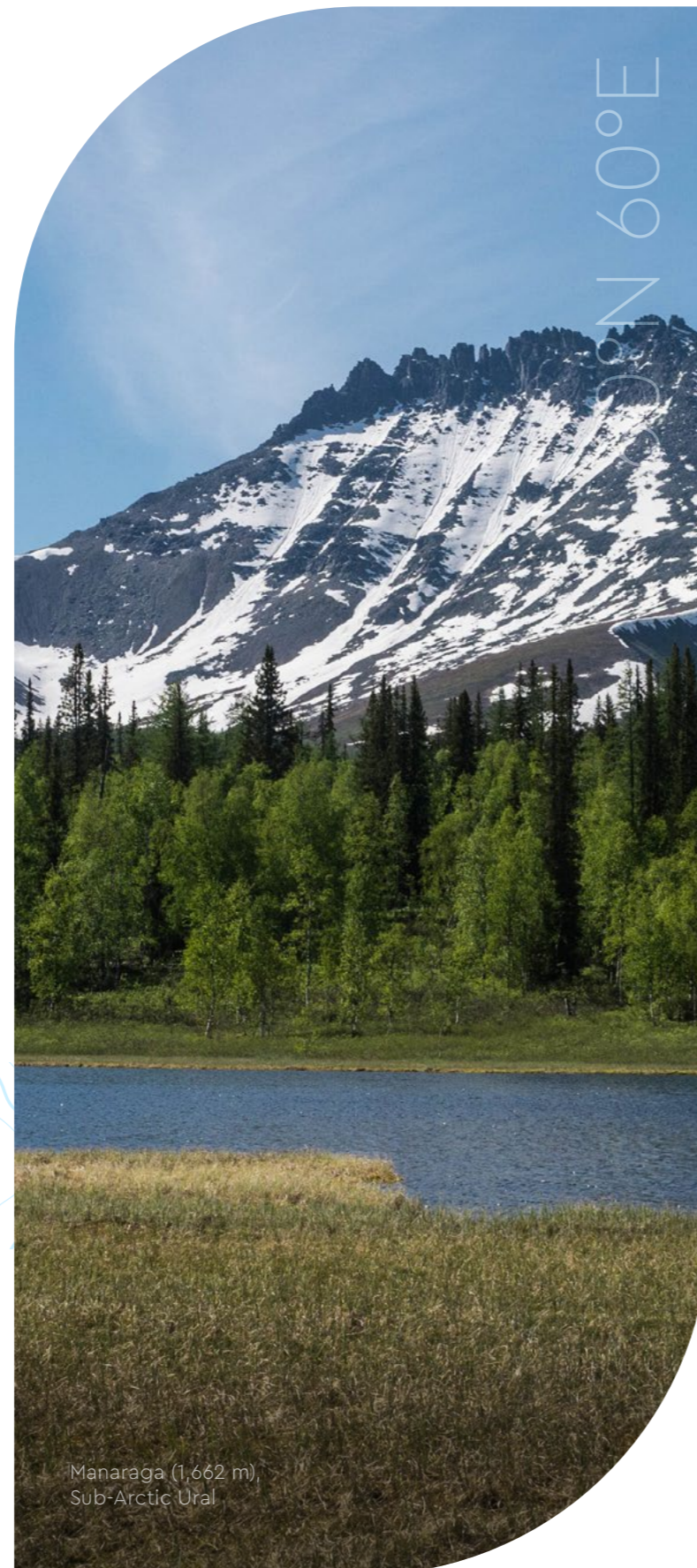
Koryaksky,
Kamchatka Peninsula

The Bank's Sustainable Development Achievements in 2022

In 2022, Gazprombank remained committed to sustainability principles in its activities, demonstrating a high level of environmental, social, and corporate responsibility.

Using the public-private partnership (PPP) tool, which is one of the mechanisms of socioeconomic development, the Bank has entered into agreements to finance the construction of infrastructure facilities across the country. In particular, loans were provided for the construction of health clinics in Sakhalin, an infectious disease hospital in Novosibirsk, a school in Kaliningrad Region, a railroad in Khabarovsk Territory, a tourist complex in the Polar Urals, and a concert and sports arena in Perm.

GAZPROMBANK ACTIVELY IMPLEMENTED SUSTAINABILITY PRINCIPLES IN CAPITAL MARKETS OPERATIONS AS AN ORGANIZER OF FOUR SUSTAINABILITY-LINKED BOND ISSUES IN 2022 FOR A TOTAL AMOUNT OF RUB 84 BILLION, TWO DEALS IN THE GREEN AND SOCIAL FORMATS EACH



Manaraga (1,662 m),
Sub-Arctic Ural

Gazprombank — an Expert in Climate Economics

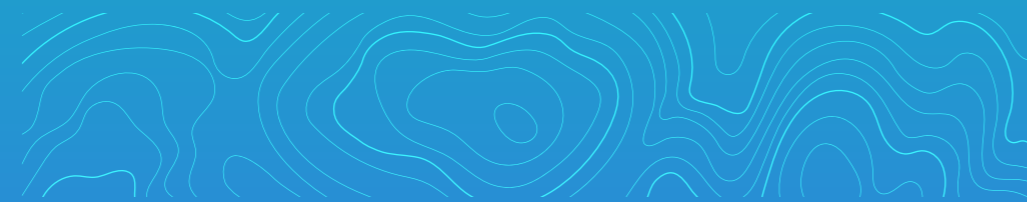
With profound expertise in various areas of sustainable development, Gazprombank has been involved in launching innovative and ambitious projects. For example, the Registry of Carbon Units was launched on 1 September 2022, as part of the national strategy for low-carbon development in Russia. Thanks to it, legal entities and individuals who have implemented projects to reduce CO₂ emissions can register them, put carbon units into circulation, and carry out transactions with them. The Registry is operated by Kontur JSC, which is supported by Gazprombank. The first climate project was registered in it as far back as on 21 September 2022.

For more information on the operation of the carbon market, refer to Russia's Carbon Market section (Page 16).

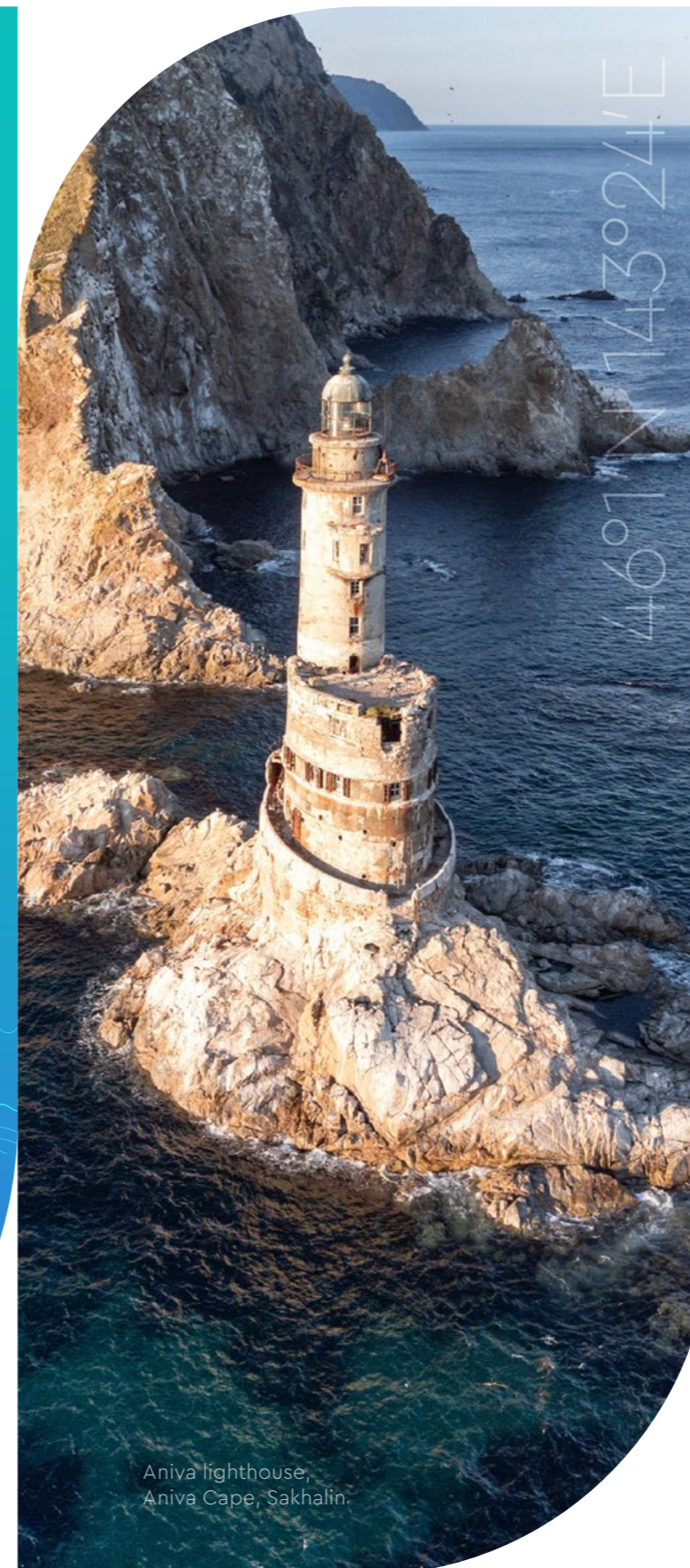
A cooperation agreement was also signed between Gazprombank, the Government of Sakhalin Region, and the Plekhanov Russian University of Economics for the implementation of low-carbon economy development projects, analysis of climate targets in terms of scientific validity, and preparation of proposals for carbon regulation. This cooperation and information exchange is aimed at the successful implementation of the project to achieve carbon neutrality in Sakhalin Region.

The Registry of Carbon Units was launched on 1 September 2022, as part of the national strategy for low-carbon development in Russia

RUSSIA'S CARBON MARKET



Trading in carbon assets, namely carbon units and emission allowances, is an important global trend. In 2022, the total market for carbon assets amounted to about \$909 billion, which is 14% more than in 2021. 17% of the world's GHG emissions are currently covered by different emissions trading systems



Aniva lighthouse,
Aniva Cape, Sakhalin.

The global carbon market is divided into two large segments: mandatory (emissions or allowance trading, a market with mandatory state requirements) and voluntary (a market for carbon units from climate projects purchased to voluntarily reduce carbon footprint). The mandatory market in Russia will emerge in the course of regional emission limit experiments provided for by Federal Law No. 34-FZ "On Conducting an Experiment to Limit Greenhouse Gas Emissions in Certain Constituent Entities of the Russian Federation" dated 6 March 2022. Only one such experiment is currently underway in Sakhalin Region, where the first trade may take place in 2025.

The Russian voluntary market functions based on Federal Law No. 34-FZ "On Conducting an Experiment to Limit Greenhouse Gas Emissions in Certain Subjects of the Russian Federation" dated 6 March 2022. It allows Russian legal entities and individuals to implement voluntary climate projects to obtain carbon units.

The Russian carbon unit market has essentially been functioning since 1 September 2022, when the Registry of Carbon Units was launched. Six projects with a total carbon unit output potential of more than 1 million tons of CO₂ were registered in it in the first year of operation. These are technological projects aimed at reducing GHG emissions from various enterprises, including those in the area of renewable energy, switching to alternative fuels, and more. About 12.5 thousand carbon units have been put into circulation.

THE BANK HAS VAST EXPERTISE IN THE FIELD OF CARBON UNITS, CLIMATE PROJECTS, AND CARBON PRICING. IT PROVIDES EXPERT SUPPORT TO MARKET PARTICIPANTS AS WELL AS CONSULTING ON CLIMATE CHANGE ISSUES

Ecumene 2022

THE BANK'S SUSTAINABILITY EXPERTS HAVE BEEN ACTIVE IN EDUCATION AND NETWORKING, WITH ITS SPEAKERS TAKING PART IN MORE THAN 181 EVENTS IN 2022

The key sustainability event that featured the Bank's experts was the Ecumene Global Financial Forum, an international platform to discuss the long-term vision of global sustainable development that is supported by the UN.

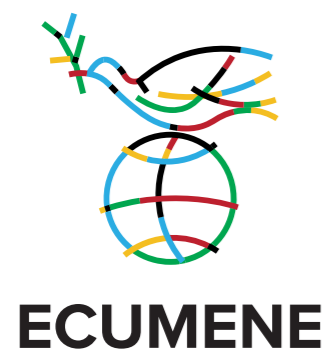
In 2022, Gazprombank acted as a general partner of the forum for the second time. There were 16 sessions with more than 120 speakers from 23 countries in the course of the three days of the Ecumene Global Forum. The Forum's key mission is to promote Russia's position within the global sustainable development agenda, developing new trends for the period from 2030 to 2050, and the implementation of the UN's Our Common Agenda. It opened with a greeting speech by the President of the Russian Federation Vladimir Putin, Prime Minister Mikhail Mishustin, and Under-Secretary-General of the United Nations, Executive Director of the United Nations Environment Programme (UNEP) Inger Andersen.

The Bank's speaker activity

NUMBER OF EVENTS FEATURING THE BANK'S SPEAKERS IN 2022

MORE THAN
181

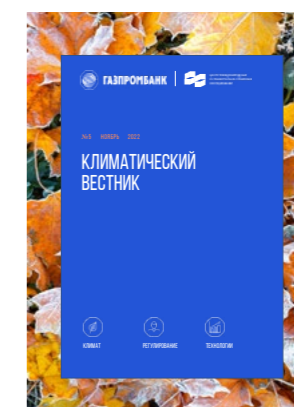
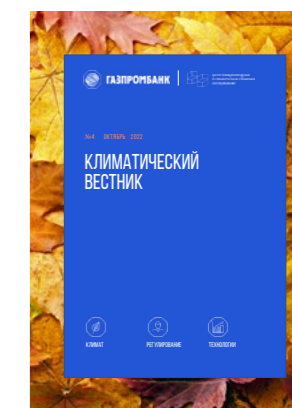
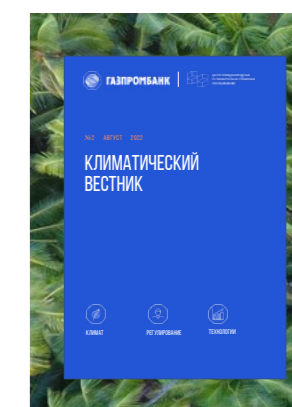
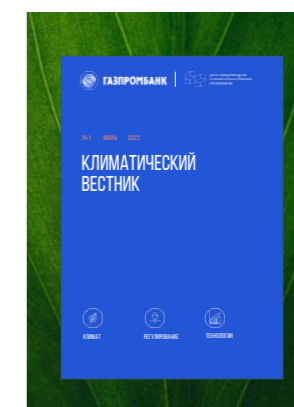
The Forum participants discussed the role of energy transition in combating climate change and the following industrial and commercial transformation as well as the need for maximum cooperation between governments, the business community, and civil society. After all, Russia's ecosystems are crucial for the life of the entire planet.



Climate Bulletin

As information related to sustainable development has become much more complex and contradictory by 2022, the direction it is taking is not that obvious anymore. At a certain point, the relevance of the sustainability agenda became a crucial issue for experts and those associated with responsible business. For educational purposes, the Bank collaborated with the International and Comparative Law Research Center (ICLRC) and launched the Climate Bulletin with analytical materials on sustainable development. The first issue was released in June 2022.

Gazprombank's Sustainable Development Center hopes to use this product to help users form a broad and balanced view of the sustainability trends, identify the most important issues in the news, and potentially make a timely business decision.



All issues are available on Gazprombank's website

UNEP FI. Principles for Responsible Banking

SINCE 2021, GAZPROMBANK HAS BEEN A SIGNATORY TO THE UNEP FI GLOBAL FINANCIAL INITIATIVE. BY SIGNING THE INITIATIVE, THE BANK AGREES TO ADHERE TO THE PRINCIPLES FOR RESPONSIBLE BANKING, AS FORMULATED BY THE UNITED NATIONS ENVIRONMENT PROGRAM FINANCE INITIATIVE (UNEP FI)

Gazprombank's principles for responsible banking operations are based on Responsible Banking Principles (hereinafter, the Principles) and form an integral part of all the Bank's activities. They are enshrined in the Bank's Sustainable Development Policy.

In accordance with the Principles, signatory banks measure the impact of their activities on the environment and society, set and implement sustainable development goals in the areas where they have the most significant impact, and regularly publish reports on their progress. The Principles provide the banks with a framework for systemic understanding of the risks and taking advantage of the opportunities arising from transition to a more sustainable economy.

As part of its commitments as a UNEP FI signatory, the Bank will release its first report in 2023. Ever since signing the UNEP FI Principles for Responsible Banking, the Bank has been working to identify and evaluate its areas of greatest impact using the UNEP FI Impact Assessment and Targeting Toolkit. Identifying areas of impact and addressing them actively and openly facilitates the implementation of the global sustainable development agenda and the Bank's positioning within it.

The analysis has shown that one of the areas of the Bank's greatest negative environmental impact is GHG emissions. The amount of financing for green industries is currently limited, which is why the Bank chose promoting the decarbonization of the Russian economy and reducing its own environmental impact as one of the key objectives of making the necessary positive impact.

A positive area of the Bank's impact is its contribution to the development of social infrastructure. It was decided to maintain it in the future as part of the continued promotion of the country's socioeconomic development.

Making the Bank's social infrastructure development plans a reality is possible among other things thanks to the #MEGAPLAYER strategy to develop a green social infrastructure in the country using the public-private partnership (PPP) tool. The Bank has been implementing this strategy since 2021.

To verify the analysis, the findings were presented to the Bank's Business Development and New ESG Products Introduction Commission in September 2022, and then for the approval of the Council for Sustainable Development in October of the same year with the Bank's areas of greatest impact also noted.

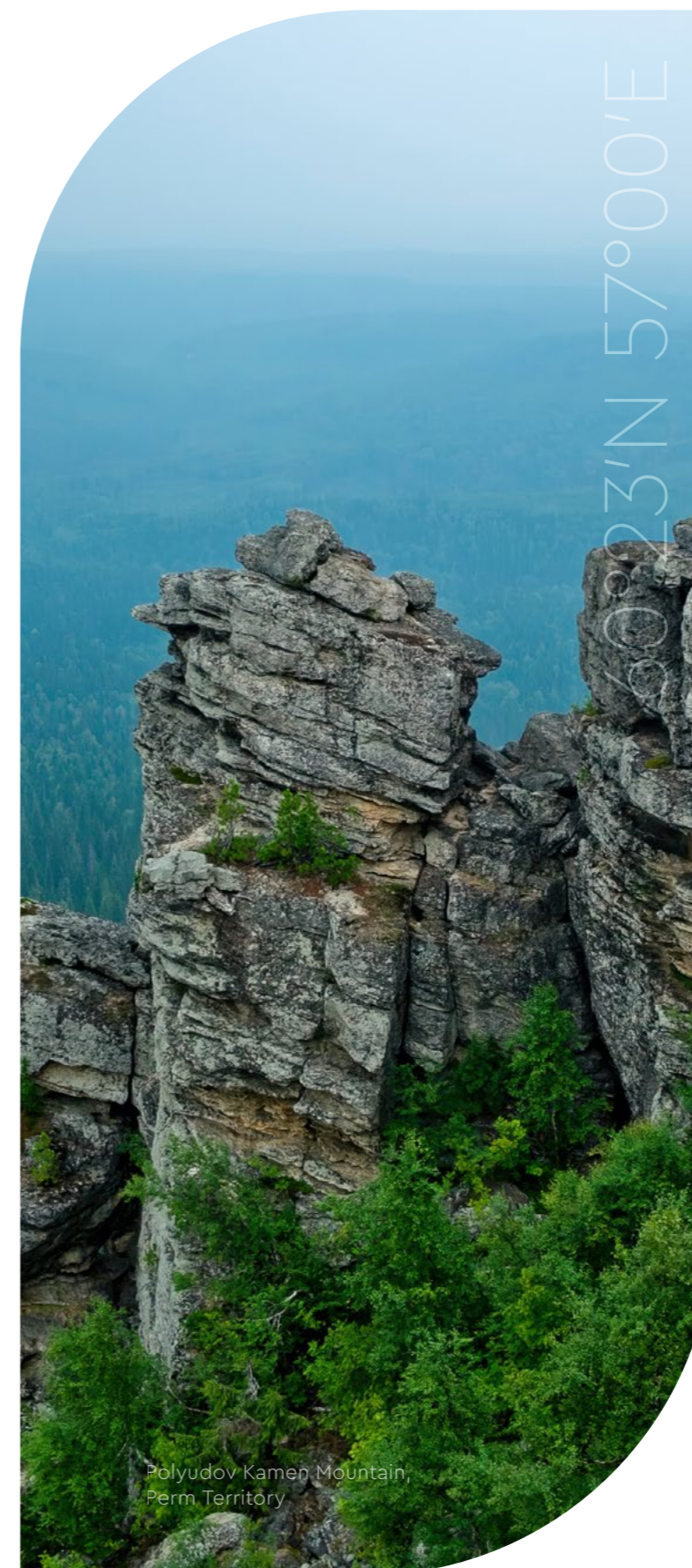
The UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet, and improve the lives and prospects of every human being. A total of 17 goals were adopted by all the UN member states in 2015, as part of the 2030 Agenda for Sustainable Development, which also includes a 15-year plan for the goals' achievement.

Achievement of sustainable development requires harmonization of the three core elements: economic growth, social inclusion, and environmental protection. These elements are interconnected and all are crucial for the well-being of individuals and societies.

THE BANK'S MAIN PRIORITIES IN THE AREA OF SUSTAINABLE DEVELOPMENT INCLUDE, BUT ARE NOT LIMITED TO, ITS CONTRIBUTION TO THE DECARBONIZATION OF RUSSIA, FAIR AND DECENT WORKING CONDITIONS, AND FINANCIAL STABILITY OF CUSTOMERS

For some 30 years already, the Bank has been rigorously adhering to the principles of good business practices; the SDGs adopted by the UN in 2015 have made it possible to define the direction of our work with greater clarity. Thus, the Bank's Sustainable Development Policy, adopted in 2021, determines which of the SDGs are of the most importance to the Bank, and it is on these that its primary efforts are focused. This Report describes how the Bank is implementing its stated SDG obligations.



Polyudov Kamen Mountain,
Perm Territory

The Bank's 2022 Awards in the Field of Sustainable Development

Gazprombank's sustainability achievements are highly appreciated by the professional community year after year, and 2022 was no exception



BEST ESG PROJECTS IN RUSSIA

The Bank received two awards, Low-Cost Clean Energy and Responsible Consumption and Production, for its VetroOGK-2 wind power project implemented jointly with Rosatom.



EMBRAS-2022 (EMPLOYER BRAND AWARD-2022)

Gazprombank won in the Employer's Image category for Perfect Match, an interactive game that allows determining if applicants are a good fit for the Bank by having them "experience" typical workplace situations. The Bank also came second in the Good Deeds category for the volunteer project contest.



CX WORLD AWARDS

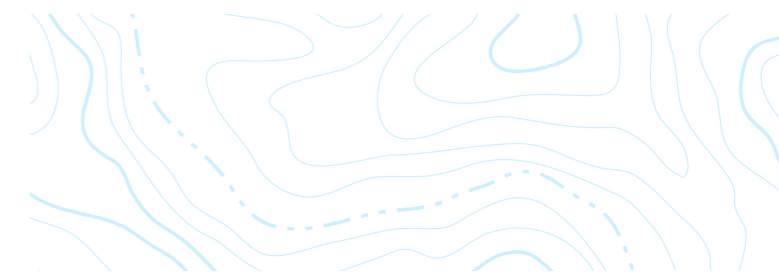
Gazprombank received four international customer service awards. Its achievements in customer experience were recognized in the following nominations:

BEST DATA-CENTRIC APPROACH

The jury noted the project for building a geomodel for ATM installation based on customer needs.

BEST PRACTICE IN MEASURING AND IMPROVING CUSTOMER EXPERIENCE

The Bank became a prizewinner for building a system for collecting feedback from customers and using it to improve the business process.



BEST CUSTOMER-CENTRIC APPROACH

For the Bank's measures to reduce negative reviews from customers and increase their satisfaction with the service.

CUSTOMER SERVICE LEADER

The winner was the Service Director of the Customer Experience Division for the best service development practices in the Bank's Northwestern Branch.



HEADHUNTER EMPLOYER RATING

Gazprombank took part in the annual Russian Employer Rating 2021 for the first time, ranking among the top five banks and top twenty best companies across the country. In addition to the main rating, the Bank was also noted for Best HR Processes and as one of the Most Popular Companies for Job Seekers.



HR IMPACT AWARD

Second place in the Sustainable Mindset. Best Project for Employee Involvement in Sustainable Development Processes with the grant contest for volunteer projects Everything is Possible on the Bank's Birthday.

IMPACT AREAS OF GAZPROMBANK'S ACTIVITY IN THE FIELD OF SUSTAINABLE DEVELOPMENT



Employee care

The Bank's primary asset is its highly qualified workforce. Facilitating the professional and personal development of the Bank's employees and creating a favorable working environment are therefore defined as priority sustainable development goals.

The Bank provides its staff with excellent social benefits and has developed in-house corporate programs that guarantee standards and obligations in the field of health, work safety, environmental protection, and social development.

Priority areas of the Bank's social policy include promotion of gender equality and development of safety nets for employees who find themselves in difficult circumstances or in need of medical assistance.

Responsibility to Shareholders

The Bank's shareholders will always be a priority for it. All of its activities involving shareholders are aimed at providing the most favorable conditions for their business, including the protection and exercising of their rights and interests and the creation of new development opportunities. A modern corporate governance system based on Russian standards and best practices helps perfectly balance stability and moving the company forward.

Customer Care

The Bank is actively developing consulting services in the field of sustainable development, which are intended to help customers learn about the best global practices in this area and give them the confidence to start and complete the transformation of their own companies by integrating environmental, social and governance factors into their operations.

The Bank is extensively focused on the security of customer data. The Bank provides its customers with a developed payment infrastructure that ensures the safety of both the customer funds and personal information; information security is further protected by the Bank's use of the most up-to-date cash and non-cash payment technology.

In addition, Gazprombank continually strives to improve its methods of obtaining feedback to better respond to the needs of its customers.

One of the Bank's sustainable development focus areas is integrating the responsible financing tools, which meet globally recognized standards, such as green bonds, sustainability bonds, green loans, etc., into the Bank's conventional products.

For the customers' convenience

25 000

TERMINALS AND ATMS

420

OFFICES
FROM KALININGRAD TO SAKHALIN

Responsibility to Future Generations

Gazprombank monitors and puts in place the best practices for managing environmental security of operation processes including energy and resource conservation. In terms of supply chain management, the Bank encourages its partners and suppliers to maintain the same level of environmental standards.

THE BANK IS ACTIVELY INVOLVED IN BUILDING A LOW-CARBON ECONOMY BY SUPPORTING THE EMERGING RUSSIAN CARBON MARKET AND FINANCING LOW-CARBON PROJECTS AS WELL AS THROUGH AWARENESS-RAISING ACTIVITIES IN THIS AREA

The Bank's educational and consulting activities are aimed at encouraging its customers to comply with the environmental standards. Leading by example, Gazprombank helps its customers transition to sustainable strategies, deploy technologies with minimal environmental impact, introduce the best available techniques (BAT), and use natural resources efficiently and frugally.

When it comes to its finance and investment activities, the Bank gives priority to projects that demonstrate high levels of environmental efficiency. Special attention is given to projects aimed at resolving global, national and regional environmental problems, mitigating climate change and preserving biological diversity.

The Bank intends to further pursue its practice of selecting and financing projects aimed at improving the environment. These include:

- renewable power source projects (solar and wind power);
- investment projects in the production and other sectors, where state-of-the-art environmental protection technology is used, or where adverse environmental impacts are mitigated by deeper processing of raw materials and associated materials during production;
- investment projects for the sorting and recycling of solid household waste.

Solving environmental issues is our priority

Responsibility to Society

The Bank implements large-scale commercial and partnership projects aimed at resolving the major challenges in the field of socio-economic development in the various regions of the Russian Federation. In particular, the Bank has set itself the task of increasing the availability of banking products, including responsible financing instruments, to the general population throughout the Russian Federation.

The Bank traditionally supports charity work and sponsors projects linked to the protection of the natural environment, education, science, sport, and the preservation of cultural heritage. In addition, the Bank provides annual financial support to environmental initiatives and projects.

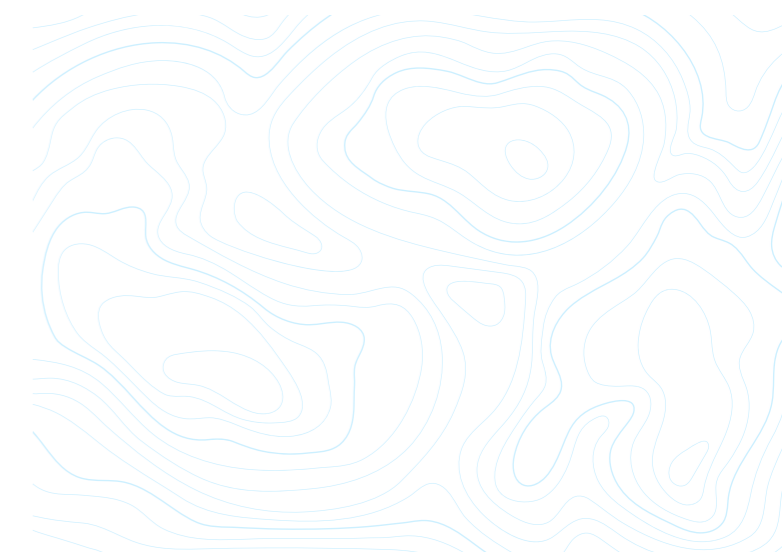
Financing and charity support is given by the Bank to projects in the following main areas:

- social and cultural projects, supporting museums, theatres, and exhibition centers;
- financing programs relevant to the fields of science, education, and medicine;
- popularizing physical education, sports, and healthy lifestyle;
- helping people in difficult circumstances.

Communication with Public Authorities and Regulators

The Bank's activities in the field of sustainable development involve active participation in the regulatory framework development, and the search for new principles of interaction between business, government, and society in general.

THE BANK ACTS AS A PLATFORM FOR THE DEVELOPMENT OF ALTERNATIVE MECHANISMS OF FINANCING FOR SOCIAL PROJECTS IN THE FORM OF PUBLIC-PRIVATE PARTNERSHIPS, AND FOR THE CREATION OF NEW BANKING INSTRUMENTS IN THE FIELD OF SUSTAINABLE DEVELOPMENT



IMPROVING THE SUSTAINABLE DEVELOPMENT MANAGEMENT SYSTEM



Russky Bridge,
Vladivostok, Primorye Territory

43°00'N 131°50'E

Gazprombank's Council for Sustainable Development

IN SEPTEMBER 2020, SEEKING TO IMPROVE THE EFFICIENCY OF ITS ACTIVITIES IN THE FIELD OF SUSTAINABLE DEVELOPMENT, THE BANK ESTABLISHED THE COUNCIL FOR SUSTAINABLE DEVELOPMENT (HEREINAFTER REFERRED TO AS THE COUNCIL)

One of the Council's key tasks is to systematize both the sustainable development projects implemented (with the Bank's support) by its partners and customers and the corporate initiatives in the social, environmental, and governance spheres. The Chief Executives tasked with supervising relevant work areas were invited to join the Council. The Council also includes independent members with extensive competencies in the field of sustainable development.

The Council's decisions, adopted in compliance with its competence and authority, are binding on the various independent structural subdivisions of the head office and branches of the Bank.

Three specialized Commissions have been established within the Council.

BUSINESS DEVELOPMENT AND NEW ESG PRODUCTS INTRODUCTION COMMISSION

The Commission's objectives comprise:

- creation and expansion of ESG products across the Bank in the areas of corporate business and retail;
- provision of assistance to customers in implementation of sustainable development principles in their activity and generation of a database of projects that comply with sustainable development principles;
- development of a system of monitoring and evaluation of the Bank's current portfolio for compliance with ESG principles.

GOVERNMENT RELATIONS AND SUSTAINABLE DEVELOPMENT GOALS PROMOTION COMMISSION

The Commission's representatives are members of 20 institutions such as the Ministry of Economic Development of the Russian Federation, the Ministry of Culture of the Russian Federation, the Federal Assembly of the Russian Federation, the Government of the Russian Federation, the Presidential Executive Office, the Central Bank of the Russian Federation, the Association of Banks of Russia. They submit proposals for the development of a legal framework in the field of sustainable development based on of the Bank's existing practices.

COMMISSION FOR SUSTAINABLE DEVELOPMENT POLICY MAKING AND IMPLEMENTATION, AND INTERNATIONAL BEST PRACTICES COMPLIANCE MONITORING

The main goal of the Commission is to analyze internal regulatory and executive documents of the Bank for their compliance with the goals of sustainable development.

A special Working Group was also established under the Council to address the current business issues of the Council's activity. At the meetings of the Working Group, matters are discussed with the Bank's subdivisions, whose interests are affected by the agenda. During such interaction, the Working Group collects proposals from the business representatives and coordinates approval for the prepared documents and data on the Bank's activity in the field of sustainable development.

Council and Commissions Activities Undertaken in 2022

5 COUNCIL MEETINGS, which delivered the following results:

- decisions on the continuation of consistent implementation of the Bank's sustainable development projects in 2022
- defined goals of the Bank within the framework of the UNEP FI and the approach to drafting the first report
- approval of the Sustainable Office Concept
- launch of the first large-scale program for the Bank employees called the Sustainable Development Ambassadors

COMMISSION MEETINGS:

3 MEETINGS

of the Business Development and New ESG Products Introduction Commission

2 MEETINGS

of the Commission for Sustainable Development Policy Making and Implementation and International Best Practices Compliance Monitoring

2 MEETINGS

of the Government Relations and Sustainable Development Goals Promotion Commission

Sustainable Development Center

A dedicated structural unit was created by the Bank in 2021 to serve as the sustainable development center of expertise and to coordinate the work of the Bank's various departments in this field.

SUPPORTING ACTIVITIES OF THE COUNCIL FOR SUSTAINABLE DEVELOPMENT

Organization of the meetings of the Council, the Commissions, and the Working Group. Responsibility for the drafting, updating, and implementation of the Road Map.

ECONOMICS OF SUSTAINABLE DEVELOPMENT

Financial analysis and expertise in the development of the Russian Federation's regulatory framework on sustainable development markets.

DRAFTING OF INTERNAL REGULATORY DOCUMENTS IN THE FIELD OF SUSTAINABLE DEVELOPMENT

Analysis of the best practices, introduction of suggestions, and coordination of operations of the Bank's structural units. This includes development of the Bank's strategy in the field of sustainable development.

ENVIRONMENTAL ASSESSMENT

The Center has the necessary experience to provide analytics in the field of environmental protection and climate, together with the information on international environmental regulations and the best global practices. In particular, the Center is the repository of expertise on carbon regulation both in Russia and around the globe.

NON-FINANCIAL REPORTING

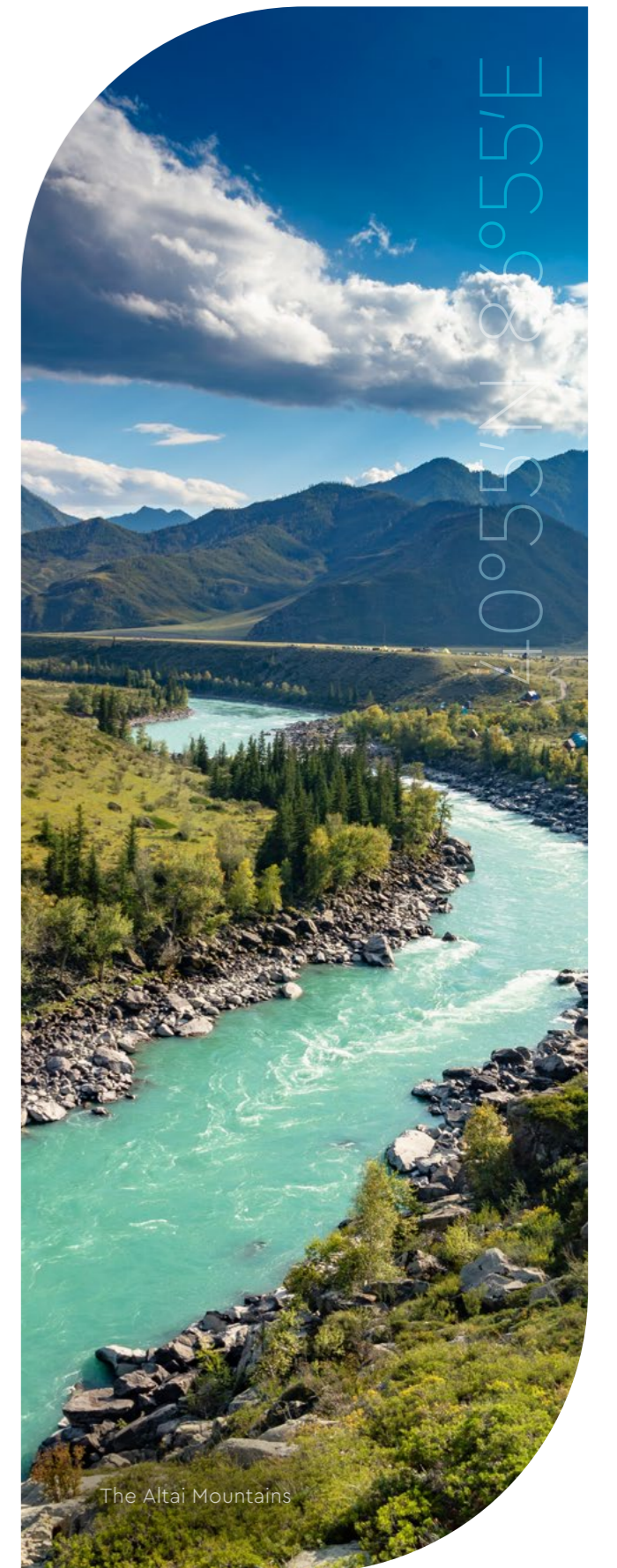
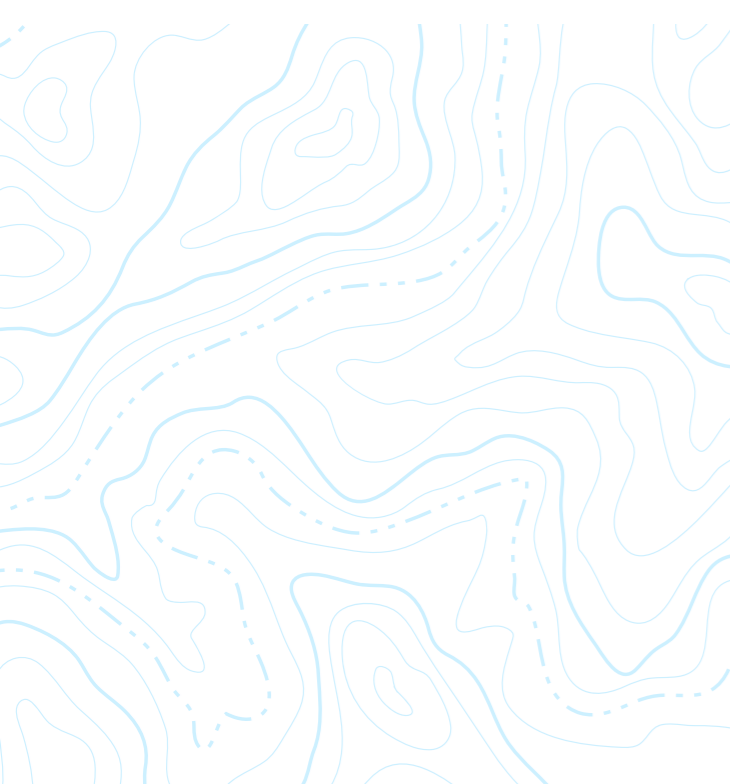
One of the Center's functions is the drafting of reports on the Bank's activities in the field of sustainable development taking into account Russian regulations and best global practices.

WORKING WITH INTERNATIONAL ORGANIZATIONS AND EXTERNAL INITIATIVES

Information and analytical support, and drafting of reports as per the requirements of organizations and initiatives. Analysis of the best global practices and preparation of proposals for the management.

EDUCATION AND AWARENESS

The experts of the Center deliver a large number of education and awareness events, both internal and external. Often, the Center does not only provide speakers for such events, but also organizes educational programs.



The Altai Mountains

Internal Control System

In accordance with the legislation of the Russian Federation, the Bank has put into place an internal control system. The proper functioning of the internal control system ensures the Bank's timely response to any upcoming issue — such as a change in the competitive and regulatory environment — and therefore helps the Bank achieve its strategic goals.

THE INTERNAL CONTROL SYSTEM IS AN AGGREGATE OF INTERNAL CONTROL BODIES AND FUNCTIONS DESIGNED TO ENSURE COMPLIANCE WITH THE PROCEDURES FOR IMPLEMENTING AND ACHIEVING THE GOALS ESTABLISHED IN THE LEGISLATION OF THE RUSSIAN FEDERATION, THE BANK'S ARTICLES OF ASSOCIATION AND INTERNAL DOCUMENTATION

Internal control in the Bank is to ensure:

- the efficiency and effectiveness of financial and economic activities in banking operations and other transactions, as well as the efficiency of asset and liability management, including ensuring the safety of assets and banking risk management;
- the reliability, completeness, objectivity and timeliness of the preparation and presentation of financial, accounting, statistical, and other reports (for external and internal users), as well as information security (protection of the interests/goals of the Bank in the information sphere, which encompasses information, information infrastructure, the entities collecting, forming, distributing, and using information, as well as the system of regulation of relations arising from it);
- compliance with applicable legal acts, self-regulatory organization standards, and constituent and internal regulatory documents of the Bank;
- that the Bank or its employees are not involved in illegal activities, including legalization (laundering) of proceeds from crime, financing of terrorism and financing of the proliferation of weapons of mass

destruction, and information is timely submitted to state authorities in accordance with the legislation of the Russian Federation and the Bank of Russia;

- the appropriate level of reliability, security, and stability of the Bank corresponding to the nature and scale of banking operations and other transactions, as well as protection of the rights of shareholders, customers, and creditors of the Bank.

The Bank's internal control system includes:

- the Bank's management bodies responsible for building the corporate banking control culture that emphasizes and demonstrates the significance of internal control to personnel at all levels;
- the Revision Commission;
- the Bank's Chief Accountant and Deputy Chief Accountants;
- Branch Managers and Deputy Branch Managers;
- structural units and employees in charge of internal control in accordance with the authority given to them by the provisions of the Bank's internal documents, including the internal audit service, the internal control service (compliance service) and other structural units and employees of the Bank performing functions within the internal control system.

The internal control system encompasses the following areas:

- control by the management bodies over the Bank's operations;
- control over the functioning of the Bank's risk management system and assessment of the risks;
- control over the distribution of authority when carrying out banking operations and other transactions;
- control over the management of information flows (the receipt and transmission of information) and the provision of information security;
- continuous monitoring of the functioning of the internal control system to assess its adequacy to the various aspects of Bank activity, identify shortcomings, develop proposals, and monitor implementation of decisions on improvements to the Bank's internal control system (i.e., monitoring of the internal control system itself).

The procedure for establishing internal control bodies and their powers are defined in the legislation of the Russian Federation (including the Bank or Russia regulations), the Bank's Articles of Association and internal regulations.

The Bank takes the necessary steps to improve its internal control system and ensure its efficient operation in view of the ever-changing internal and external factors, which have an impact on the Bank's activities.

Compliance Control

COMPLIANCE FUNCTION IS A COMPONENT OF THE BANK'S INTERNAL CONTROL SYSTEM. COMPLIANCE WITH THE RULES, NORMS AND STANDARDS RELEVANT TO THE BANK'S ACTIVITY IS ONE OF THE MAIN GOALS OF ITS INTERNAL CONTROL SYSTEM. THE BANK MAKES EVERY EFFORT TO ENSURE THAT THE SYSTEM OF COMPLIANCE CONTROL IS EFFECTIVE AND PROVIDES IT WITH A COMPETITIVE ADVANTAGE

The compliance function affects all levels of the management and all areas of activity of the Bank. The introduction of proper compliance control procedures helps reduce the Bank's susceptibility to compliance risks, which could result in significant financial losses for the Bank and damage its business reputation.

The central link in the compliance risk management system is the internal control service (the compliance service) that continuously fulfils the compliance control functions; in particular, it participates in the development of new products, services and business processes of the Bank with a view to identify and minimize compliance risks; takes part in the identification and management of conflicts of interest; develops policies and procedures to manage and prevent the Bank's compliance risks; helps address customer complaints; carries out inspections within its remit; conducts trainings for the Bank employees; prepares and submits reports, etc. The compliance service regularly reports to the relevant management bodies on the work carried out.

Combating Corruption

THE BANK IS COMMITTED TO COMBATING CORRUPTION OF ANY FORM AND KIND. THE BANK RECOGNIZES COMBATING CORRUPTION AS ONE OF THE KEY FACTORS OF SUSTAINABLE DEVELOPMENT AND ONE OF THE MOST IMPORTANT TASKS IN THE AREA OF CORPORATE GOVERNANCE

The Bank always consults its anti-corruption experts when developing new products, services, and processes, making changes to the existing ones, and concluding contracts. The members of the Bank's various management bodies set a personal example of conscientious and ethical behavior and demonstrate zero tolerance for any form of corruption.

The Bank's approved internal anti-corruption documents include the Bank's Anti-Corruption Policy, the Bank Group's Policy on Combating Corruption, and the Procedures for Preventing Conflicts of Interest. The Bank provides free and convenient access to information on the measures being implemented to combat corruption. The documents are available for viewing on the Bank's official website (under the "Anti-Corruption" tab) and are readily accessible to any interested party.

The basic anti-corruption document is the Bank's Anti-Corruption Policy, approved by the Management Board of the Bank. The Policy of the Bank GPB (JSC) Group on Combating Corruption applies to the member organizations of the Bank Group.

The Bank's Anti-Corruption Policy defines the goals, objectives, principles, and activities, which collectively shape the Bank's anti-corruption culture, as well as the rules and procedures, which are followed to ensure that the Bank does not get involved in corruption-related violations of law.

Employees of the Bank, regardless of their position, are personally accountable for compliance with the requirements of the Anti-Corruption Policy. The principles and requirements of the Anti-Corruption Policy are incorporated whenever the Bank establishes contractual and other business relations with individuals and legal entities.

To ensure that the staff are fully cognizant with the Bank's anti-corruption standards, help improve the anti-corruption culture of the Bank and raise awareness of the measures employed by the Bank to combat corruption, the Bank familiarizes members of the management bodies and employees with its Anti-Corruption Policy. The Bank has anti-corruption training in place; in particular, it has developed a mandatory online training course on measures used to combat corruption to be completed by all employees. Every member of the Bank's management bodies must read and understand the Bank's Anti-Corruption Policy. The Executive Office of the Management Board is tasked with making sure that members of the management bodies who are employees of the Bank, the Bank's senior executives, First Vice Presidents — Deputies of the Chief Accountant of the Bank, and Advisors to the Chairman of the Management Board are aware of the Anti-Corruption Policy requirements.

THE BANK OPERATES A HOTLINE DESIGNED TO ENABLE EMPLOYEES AND THIRD PARTIES TO PROVIDE INFORMATION ON ALLEGED CORRUPTION INCIDENTS

Corruption statistics in the Bank

In the reporting period, no corruption risks were identified in the Bank's operations. In 2022, the following violations were detected:

- incidents whereby employees were dismissed or disciplined for corruption-related offences **0 CASES**
- incidents linked to the termination of contracts with business partners or to the non-renewal of contracts due to offences linked to corruption **0 CASES**
- court cases involving corruption initiated against the Bank or against the Bank employees **0 CASES**
- cases of discrimination **0 CASES**

Compliance with the Precautionary Principle

The Bank integrates the key precautionary principle provisions into current stakeholder communication policies and assesses investment projects with society's requirements and goals in mind. The Bank's internal regulatory documents ensure that its business strategy, operational activity, and lending and investment policy are consistent with the key sustainable development factors, which implies the environmental, social and corporate responsibility of the Bank.

THE BANK IS CONSTANTLY IMPROVING THE METHODS OF ASSESSING ITS IMPACT ON THE ENVIRONMENT AND PEOPLE. THIS ALLOWS FOR A MORE POSITIVE INFLUENCE ON THE NATURE, SOCIETY, AND PEOPLE AS WELL AS A REDUCTION OF ENVIRONMENTAL RISKS ASSOCIATED WITH THE BANK'S PRODUCTS AND SERVICES

In order to integrate sustainable development goals into its customer policy, the Bank undertakes to be responsible when dealing with customers by constantly improving the level of financial literacy of individuals and facilitating the economic activity of legal entities aimed at the safe development of the current and future generations.

When implementing top-priority areas of the sustainable development strategy, the Bank establishes corporate culture so as to make it fully compliant with the concept of responsible banking service and maximum business transparency. The Bank undertakes to perform regular performance audits and make non-financial sustainability reporting publicly available.

Internal Audit

The requirements for organization of internal control in credit institutions are established by the Regulations of the Bank of Russia No. 242-P "On Organization of Internal Control in Credit Institutions and Bank Groups" dated 16 December 2003.

In line with these requirements, the Internal Audit Department is independent of other structural units of the Bank, reports to the Board of Directors, the Audit Committee of the Board of Directors, and acts under the direct supervision of the Board of Directors. Reports and proposals on the results of audits carried out by the Internal Audit Department are submitted to the Chairman of the Management Board of the Bank and the heads of the audited structural units of the Bank. Reports on the implementation of the Internal Audit Department's work plan, which contain information on significant risks and deficiencies in the Bank's internal control system, are submitted to the Bank's Board of Directors at least twice a year. A copy of the report on the implementation of the Internal Audit Department's work plan is sent to the Chairman of the Management Board and the Management Board.

The main functions of the Internal Audit Department are to:

- check and assess the efficiency of the Internal Control System as a whole, track implementation of decisions of the General Meeting of Shareholders of the Bank, the Board of Directors of the Bank, the Management Board of the Bank, and the Chairman of the Management Board;
- check the effectiveness of the banking risk assessment methodology (including checks for timely updates of the internal documents that establish the methods for risk assessment, and validation of quantitative risk assessment models by the Bank's structural units) and banking risk management procedures established by the Bank's internal documents (methods, programs, rules, and procedures for banking operations and transactions, banking risk management) and analyze compliance gaps in respect of these documents;

- check the reliability of the internal controls for automated information systems, including control of the integrity of databases and their protection against unauthorized access and/or use, taking into account any measures put in place for abnormal or emergency situations in accordance with the Bank's Business Continuity and Disaster Recovery Plan;
- check and test the accuracy, completeness, and timeliness of accounting and reporting, as well as the reliability (including accuracy, completeness, and timeliness) of the collation and presentation of information and reports;
- check the methods (techniques) used to ensure the safety of the Bank's property;
- assess the economic feasibility and efficiency of the Bank's operations and other transactions;
- check the internal control processes and procedures;
- check the activities of the Bank's Internal Control Service and Risk Management Service;
- assess the methodology for determining the value of trading portfolio instruments and its efficiency;
- assess the efficiency of the remuneration system organization and functioning;
- assess the corporate governance system;
- assess the efficiency of the Risk and Capital Management system, its adequacy for the operating conditions, the nature and the scale of the transactions carried out by the Bank and the Bank Group members, and the level and combination of risks assumed;
- perform other functions assigned to the Internal Audit Department by the legislation of the Russian Federation, regulations of the Bank of Russia, internal documents of the Bank, resolutions of the management bodies of the Bank in order to achieve the goals and objectives of the Internal Audit Department.

Taxation

Gazprombank is a conscientious taxpayer committed to fulfilling its obligations to pay taxes and levies to the various budgets in a full and timely manner. When calculating taxes and interpreting legislative provisions, the Bank adheres to its internal tax policy, and is guided by the established arbitration practice and position of the regulatory authorities. We do not expect the tax authorities to discover any hidden tax burden, since all transactions executed by the Bank are for business purposes only and no attempt is made to obtain unjustified tax benefits, erode the company's tax base and/or "shift" profits.

All tax issues, including the development of tax policy and methods of determining taxation procedures, are handled by the Bank's internal Taxation Unit. The Taxation Unit is briefed to take part in coordinating the various agreements concluded by the Bank with third parties, including foreign third parties, the performance of highly structured transactions, and the development of banking products.

The Bank's activities comply with the requirements of both the Russian and international tax legislation, as well as the laws of the other tax jurisdictions in which the Bank operates. Given the above, disputes with the tax authorities on issues relating to interpretation of legislative provisions, although possible, are unlikely to affect the Bank's financial situation, even if the court fails to adopt a judgement in favor of the Bank.

SUSTAINABLE OFFICE



Aquamarine Business Center
Moscow

In 2022, the Bank adopted and put into effect a key document, the Sustainable Office Concept; its provisions unite the Bank's environmental and social initiatives in the office setting. The Concept, which can be extended across the entire operating territory of the Bank, is aimed at minimizing negative impacts on the environment and creating a friendly, convenient, safe, and inclusive space for both the Bank's employees and customers.

The entire Concept is laid out in a single document, thus enabling both internal and external users to quickly familiarize themselves with information on the goals and achievements of the Bank in the field of sustainable development in the office environment.

KEY INITIATIVES WITHIN THE CONCEPT FALL INTO THREE FOCUS AREAS:

Green Office

- PROTECTING THE ATMOSPHERE AND WATER RESOURCES AND TAKING STEPS TO OFFSET CLIMATE CHANGE
- REDUCING WASTE AND PROMOTING THE CIRCULAR ECONOMY
- WORKING WITH SUPPLIERS

Environmental responsibility

Friendly Office

- HEALTH AND SAFETY AT WORK
- SOCIAL BENEFITS
- PROMOTING A HEALTHY LIFESTYLE
- INCLUSION

Employee Care

Education and Training

- EDUCATIONAL PROGRAMS
- ACTIVITIES DESIGNED TO INVOLVE THE BANK'S STAFF AND STAKEHOLDERS IN THE "SUSTAINABLE" AGENDA AND THUS IMPROVE THE BANK'S ENVIRONMENTAL CULTURE

Employee Training and Development

GREEN OFFICE

ENVIRONMENTAL RESPONSIBILITY



The Greenhouse Gas Emissions of the Bank

THERE ARE A MULTITUDE OF WAYS IN WHICH A GIVEN COMPANY IMPACTS THE ENVIRONMENT. IN PARTICULAR, ANY BUSINESS HAS A NEGATIVE IMPACT ON THE CLIMATE DUE TO THE GREENHOUSE GASES EMISSIONS

It has been shown that anthropogenic emissions of greenhouse gases are a key factor affecting global climate change. Businesses all over the world are coming to terms with the negative impact they are having on the environment and are seeking to minimize greenhouse gas emissions, and Gazprombank is no exception. The first step on the path to decarbonization is to measure the company's own emissions, a process that the Bank carried out for the first time in 2021 and had the results verified by Kept (see Appendix 3 to the Report).

In accordance with the regulatory requirements of the Russian Federation, the Bank carries out a voluntary assessment of the carbon footprint from its administrative and branch offices in Moscow and the network of regional branches and offices providing banking services for accounting in line with the goals of the Sustainable Office Concept and building an effective system for monitoring, reporting, and managing climate impact.

The Bank has been carrying out the GHG Emission Quantification annually since 2019. The present assessment is for 2022. The reporting period starts on 1 January and ends on 31 December.

The comparative analysis has been carried out against the base year. A base year for tracking emissions and setting climate targets should be chosen under the GHG Protocol, which in this case is 2019. The choice of the base year is driven by the fact that 2019 was the first year for which the Bank estimated the carbon footprint of its operations. 2019 is also a year in which its ongoing operations were not significantly affected by epidemiological constraints and geopolitical factors.

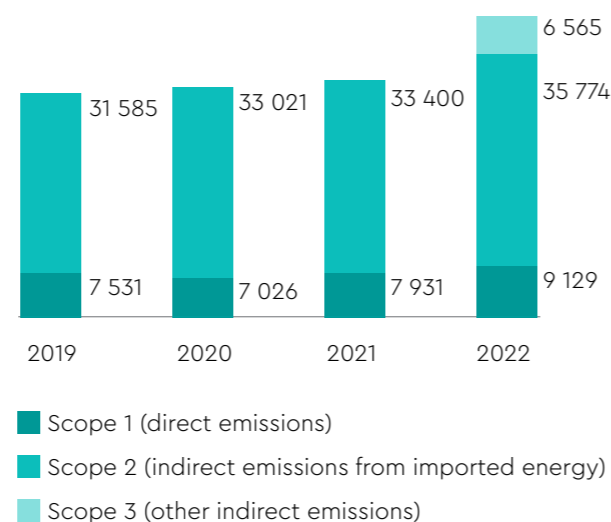
QUANTIFICATION RESULTS

Gross direct and indirect energy emissions of greenhouse gases (Scope 1 and 2) in 2022 were 44,903 tons of CO₂ equivalent. Direct emissions amounted to 9,129 tons of CO₂ equivalent, while indirect energy emissions amounted to 35,774 tons of CO₂ equivalent, respectively.

The Bank's gross GHG emissions for 2019–2022 are shown below taking into account the changes in the definition of the operational boundaries of the quantification.

The increase in gross emissions in 2022 vs. 2019 is 15%, with an increase of 10% vs. 2021. This is due to an improved methodological approach to the collection and recording of source data, as well as the expansion of the areas of operations and the growth in the number of the Bank's employees.

Figure 1.
Gross greenhouse gas emissions for 2019–2022



Emissions from the Bank's vehicles are consistently the largest contributor to Scope 1 direct emissions. In 2022, they accounted for 63% of the total Scope 1 emissions. There has been an increase in emissions related to air conditioning and the use of refrigerants, mainly due to the update of the gas metering system and the expansion of the Bank's premises.

The structure of indirect energy emissions is dominated by emissions from electricity consumption (62%). The largest contributors here are the administrative and branch offices in Moscow, large branches and those located in areas with special climatic conditions, such as West Siberia, the Far East, and Novy Urengoy.

Figure 2.
Structure of direct greenhouse gas emissions

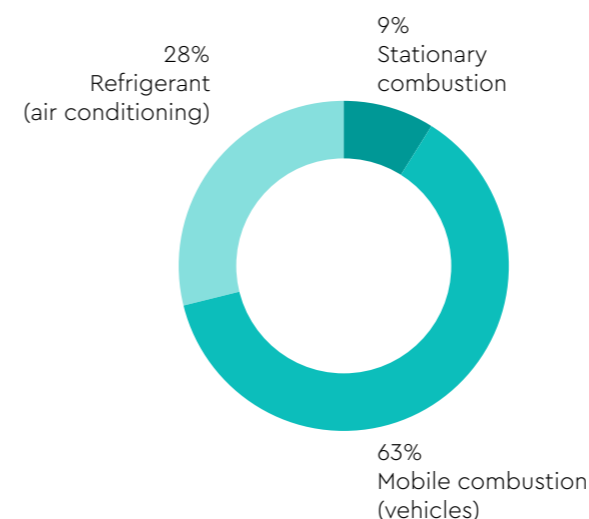
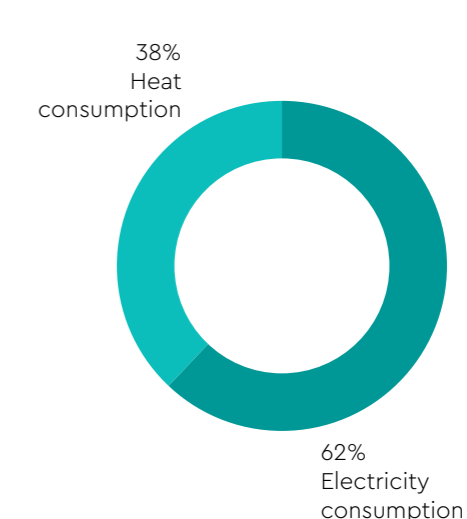


Figure 3.
Structure of indirect energy emissions



Largest contribution to the Bank's emissions in 2022

DIRECT AUTOMOTIVE EMISSIONS

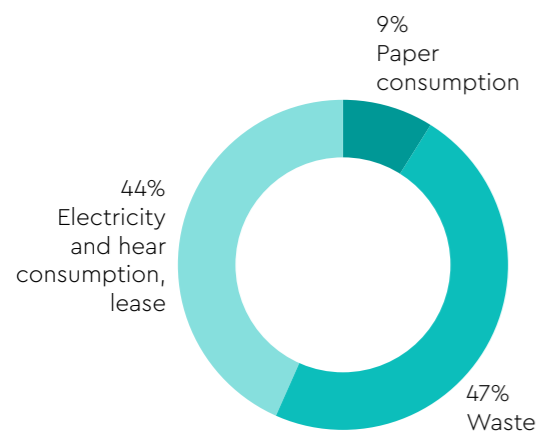
63%

EMISSIONS FROM ELECTRICITY CONSUMPTION

62%

In 2022, the Bank conducted a partial estimation of Scope 3 emissions to include factors such as paper consumption, production and consumption waste management, and additional accounting for electricity and heat consumption according to the operational boundary description, in order to further improve its GHG emissions accounting system. The estimated amount of other Scope 3 indirect greenhouse gas emissions was 6,565 tons of CO₂ equivalent.

Figure 4.
Structure of estimated other indirect emissions



DEFINING THE BOUNDARIES OF GHG EMISSION INVENTORY IN 2022

Organizational and operational boundaries have been established to quantify Gazprombank's GHG emissions and carbon footprint. Organizational boundaries are defined as the list of entities for which the data are consolidated and assessed. Operational boundaries are the categories of emissions subject to assessment.

METHODOLOGICAL APPROACH

Greenhouse gas inventory boundaries for quantification are defined on the basis of the following regulations:

- GOST R ISO 14064-1-2021 Greenhouse Gases. Part 1. Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.
- GOST R ISO 14067-2021 Greenhouse Gases. Carbon Footprint of Products. Requirements and Guidelines for Quantification.

As well as:

- GHG Protocol/Product Life Cycle Accounting and Reporting Standard.
- Order No. 371 of the Ministry of Natural Resources and Environment of the Russian Federation "On Approval of Methods of Quantification of Greenhouse Gas Emissions and Greenhouse Gas Removals" dated 27 May 2022.
- Order No. 330 of the Ministry of Natural Resources and Environment of the Russian Federation "On Approval of Guidelines for Quantification of Indirect Energy Emissions of Greenhouse Gases" (as amended) dated 29 June 2017.

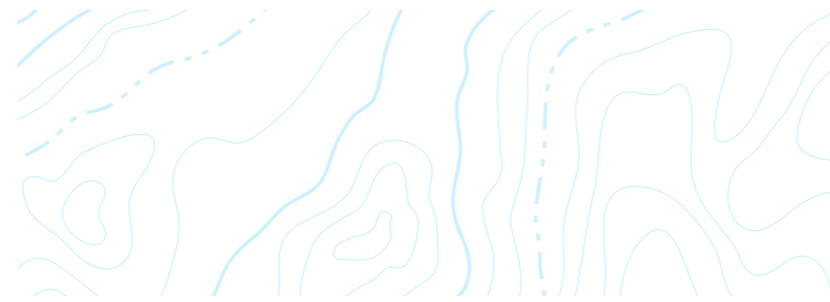
The Bank is improving its approaches to quantifying GHG emissions and defining assessment boundaries based on the methodological recommendations from Gazprom VNIIGAZ, a specialized institute of Gazprom.

In 2022, the approaches to defining the operational boundaries for GHG emission estimation were updated with utility consumption in the Bank's leased premises.

ORGANIZATIONAL BOUNDARIES

In accordance with GOST R ISO 14064-1-2021 and taking into account the specific operations of Bank GPB (JSC), the operational monitoring method has been selected to define the organizational boundaries and consolidate greenhouse gas emissions, which implies that the organizational boundaries of carbon footprint estimation include the administrative and branch offices of Bank GPB (JSC), auxiliary premises in Moscow, and the network of regional branches and offices of Bank GPB (JSC) in the Russian Federation that have sources of GHG emissions, for which Bank GPB (JSC) exercises operational monitoring and manages the implementation and operation of GHG emission abatement plans.

The estimation of GHG emissions takes into account the changes in the Bank's organizational structure that took place in 2022.



OPERATIONAL BOUNDARIES

The operational boundaries of carbon footprint estimation include the Bank's banking operations under General License No. 354, including cash and settlement transactions, loan origination and disbursement, other financial services, and other GHG-emitting processes.

The quantification of GHG emissions of the administrative and branch offices of Bank GPB (JSC)'s network of regional branches engaged in banking operations includes three scopes.

DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1)

Direct emissions include emissions from sources that are owned or controlled by the Bank. Direct GHG emissions are generated:

- in the production of heat, steam, or electricity; emissions occur during the combustion of fuel at stationary power plants located within the battery limits of the company;
- when transporting materials, products, waste, and employees; emissions occur as a result of mobile combustion, i.e. in the vehicles (trucks, buses, cars) owned by an entity of Bank GPB (JSC) and/or leased by the Bank;
- when using air-conditioning and refrigeration systems, emissions occur during the operation of air-conditioning equipment and as a result of refrigerant leakage.

INDIRECT ENERGY EMISSIONS (SCOPE 2)

Indirect emissions include emissions that result from the operations of Bank GPB (JSC) entities but are not owned by them.

Scope 2 indirect emissions include GHG emissions from the production of electricity and heat purchased by the Bank from third-party sources, i.e. energy that is purchased rather than generated in-house. Scope 2 includes the consumption of electricity paid for by the Bank under lease agreements.

Depending on the types of lease agreements and the terms of accounting and payment for the utilities consumed, some are allocated to Scope 3 to avoid duplicate accounting for indirect GHG emissions in the lessee and lessor estimation systems.

OTHER INDIRECT EMISSIONS (SCOPE 3)

Scope 3 indirect emissions include emissions associated with the production of goods and services purchased by the structural units of Bank GPB (JSC), the management of waste of Bank GPB (JSC), and activities related to fuel and energy not included in the estimation of Scope 1 and 2 emissions. The Bank conducted a partial estimation of Scope 3 emissions in accordance with its dedicated environmental responsibility policy KPIs. In terms of consumption of goods and services in production, the current estimation includes paper consumption and MSW management.

Where the Bank is a lessee of office space and the lessor is a purchaser of heat and electricity and allocates the emissions from its use to Scope 2, the lessee (Bank) allocates the same emissions to Scope 3.

Depending on the type of lease agreements, the emissions from leased spaces for which utilities (heat and electricity) are not metered and paid for were included in Scope 3 subject to the recommendations of the GHG Protocol Corporate Accounting and Reporting Standard (Corporate Value Chain Accounting and Reporting Standard [Scope 3]). In accordance with the Appendix (Table A1, Page 124) of the Corporate Value Chain Accounting and Reporting Standard (Scope 3), if the Lessee in an operating lease does not have operational or financial control, then the emissions associated with heat and electricity generation fall within its Scope 3 (Upstream Leased Assets).

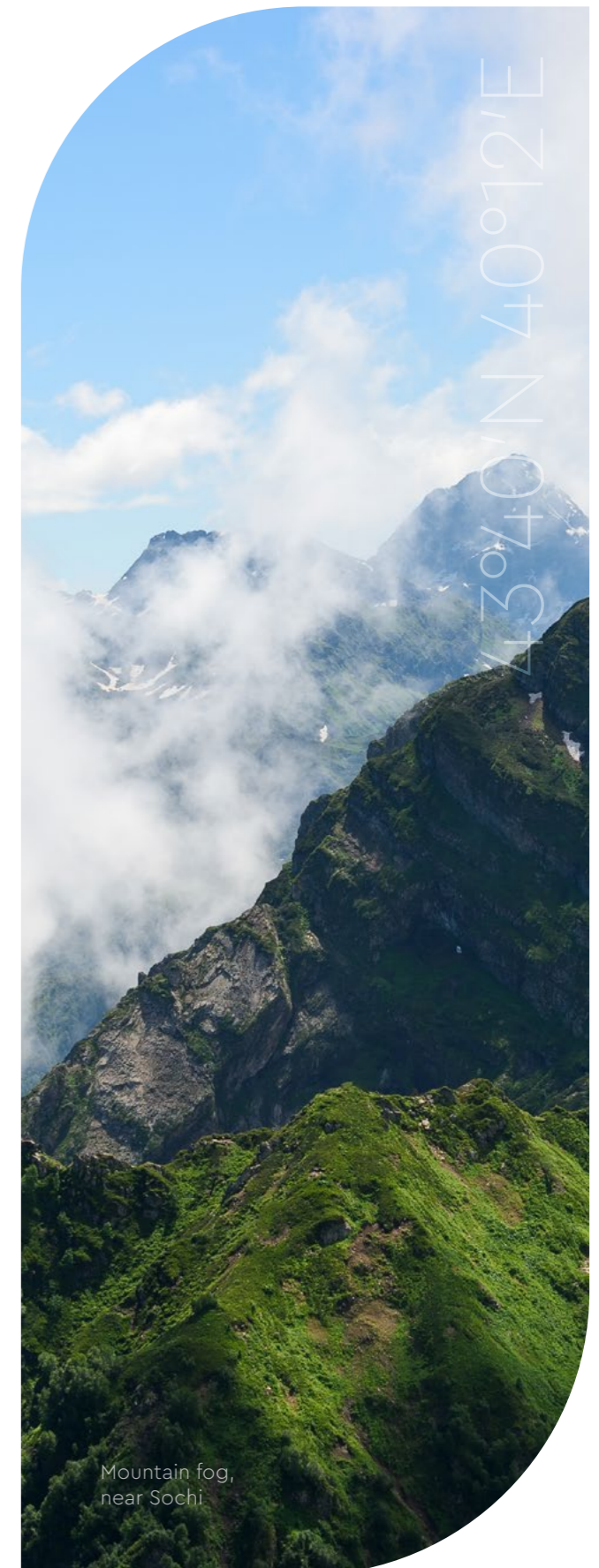
The carbon footprint is estimated for carbon dioxide (CO₂), methane (CH₄), hydrofluorocarbons (HFCs) and hydrochlorofluorocarbons (HCFCs).

INITIAL QUANTITATIVE GHG EMISSIONS DATA

The source data for quantifying GHG emissions are the actual data characterizing the Bank's operations in the reporting period (fuel consumption by own power plants, fuel consumption by own and rented vehicles, refrigerant leaks in air conditioning systems, heat and electricity consumption, consumption of services and goods, and waste management).

The source data used to quantify GHG emissions are meter readings, invoice data, universal transfer documents (UTD), service certificates, consignment notes, waybills, 1C reports, certificates of work performed, technical documentation, fuel and material consumption records, waste generation data, and/or other primary documents. Source data on utility consumption were collected for each of the Bank's premises taking into account the established property rights and conditions of the use of the premises.

To improve the quality of source data, the Bank has developed a special form and a checklist for action owners on how to complete the source data collection form. Source data were verified by tariff control and using comparative methods, and checked by separate inquiries. Source supporting documentation is collected in the 1C system and on a separate resource.



Mountain fog,
near Sochi

Carbon Footprint Estimation

The Bank's carbon footprint is calculated per employee based on the average number of employees as of the end of 2022. The Bank's carbon footprint in 2022 is 0.412 tons of CO₂ equivalent per employee for Scope 1, 1.615 tons of CO₂ equivalent per employee for Scope 2, and Scope 1 and 2 combined are 2.027 tons of CO₂ equivalent per employee. The Bank's carbon footprint decreased by 17% vs. 2019, mainly due to a reduction in the specific emissions of Scope 2, taking into account the changes in staff number and expansion of the Bank's operations. It is also due to such production factors as:

- changes in equipment (switch to gas-fired boilers and reduced consumption of diesel fuel) and utility consumption;
- a course towards saving utilities and achieving the Dedicated Environmental Responsibility Policy KPIs for energy conservation.

The Bank's carbon footprint has stabilized with a decreasing trend of 0.3% as compared to 2021 thanks to the measures it took to reduce resource consumption and improve approaches to data collection and systematization.

The Bank's carbon footprint in 2022



Compliance with Environmental Regulations

In June 2021, the Management Board of Bank GPB (JSC) approved Bank GPB (JSC) Dedicated Policy on Environmental Responsibility. In accordance with the Policy, the Bank set itself targets for efficient consumption of natural resources and reduction of its negative impact on the environment and climate and made the relevant commitments.

The Bank's activities comply with the requirements of the Russian legislation in the field of environmental protection and incorporate recommendations of the international institutions in the field of environmental protection. Due to the nature of its activities, the Bank's environmental risks are rated as insignificant. No penalties for violation of requirements of environmental legislation have been recorded by the Bank's risk management system for the past 3 years.

PURSUANT TO ITS DEDICATED POLICY ON ENVIRONMENTAL RESPONSIBILITY, THE BANK IS COMMITTED TO REDUCING THE ENVIRONMENTAL IMPACT OF ITS CUSTOMERS AND SUPPLIERS

To this end, the Bank has weighted its procurement procedures in favor of suppliers and contractors that have officially declared their support for the principles of environmental responsibility and provide the products and services with concomitant environmental benefits.

The Bank either refrains from providing funding, or significantly limits the amount of funding available to the projects in such areas as:

- the production of, or trade in, any goods, or the carrying out of any activities declared illegal in the national legislation or the provisions of international treaties, or subject to other forms of prohibition;
- the transportation of oil or other hazardous substances by tankers that do not meet the requirements of the UN International Maritime Organization (IMO);
- the production of, or trade in, pesticides, herbicides, and other toxic substances already listed as phase-out;
- the cross-border movement of wastes prohibited by the international law;
- fishing in the marine environment with drift nets greater than 2.5 km in length;
- the production of, or trade in, free asbestos fibers, products containing asbestos, or products containing polychlorinated biphenyls;
- the production of, or trade in, ozone-depleting substances;
- the trade in wild animals, plants, and any products derived therefrom, as listed in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Commercial projects financed by the Bank for its corporate customers may be subject to environmental assessment as an integral part of the due diligence and project appraisal process. Such assessments are carried out to enable the Bank to make decisions on the financing of projects, not only based on their feasibility, but also with account to the environmental factors.

To enhance the environmental efficiency of own operations, the Bank has implemented the Sustainable Office Concept (in particular, the part titled "Green Office"), which conveys the Bank's commitment to resource conservation, energy efficiency and reduction of waste.

Energy

To meet the Bank's production requirements and ensure comfortable working conditions for its staff and customers, the banking premises use heat and electricity supplied by the local municipal authorities. The amount of energy used is metered and paid in accordance with the tariffs provisioned in the relevant contracts.

The Bank is committed to reducing electricity consumption in its offices. The growth of current resource consumption indicators is due to the expansion of the Bank's operations and commissioning of new office premises, as well as an improved methodological approach to the collection and accounting of base data.

The performance indicators established to measure the energy efficiency of the Bank are recorded in terms of relative energy intensity. Relative energy intensity is the amount of electrical energy consumed per 1 m² of the

building's floor area, in premises owned or leased and equipped with the means of controlling the amount of electricity used. In accordance with its Dedicated Policy on Environmental Responsibility, the Bank has set energy efficiency targets to improve its energy efficiency by 3% of the 2019 base year value for its administrative offices by 2025.

The main reasons for the decrease of 2021 indicators in the Bank's Moscow Branch Offices (MBOs) and branch network are the adjustment of the calculation methodology and formula, the development and improvement of the resource consumption metering system, and the implementation of the planned energy saving measures. The reasons for the increase in 2022 relative to 2021 included structural changes in the Bank's divisions and reaching the pre-pandemic consumption level.

The Bank is currently implementing measures to improve its resource consumption metering system. To do this, it has created the Administrative and Technical Activities Analysis and Functional Coordination Division within its administrative and technical unit during the reporting period. Key measures aimed at improving the energy efficiency of the Bank's offices are being developed by the relevant administrative units of the Bank. The budget planning necessary for implementation of the efficiency measures is also performed. The measures include:

- optimization of the outdoor lighting system;
- maximizing the use of natural light;
- installing energy saving lamps and sensors;
- disconnecting from the network any devices and equipment that are not being used;
- setting equipment to energy-saving mode;
- using electrical equipment with energy saving ratings of "A" and "A+".

Some branches of the Bank are equipped with their own stationary installations, such as gas boilers and diesel generators, to ensure the uninterrupted supply of power, hot water, and heating.

During the reporting period, the Bank reduced the use of diesel generator sets, switching stationary heat and power supply sources to fuel gas units. The increase in gas consumption was due to the expansion of the Bank's warehouse space serviced by a gas boiler.

The Bank's vehicle fleet includes both diesel and petrol vehicles. The Bank is committed to minimizing the amount of pollutant emitted into the atmosphere by its vehicles; none of the vehicles used by the Bank have engine emissions exceeding the established environmental standards. The Bank ensures that its corporate vehicle fleet is regularly maintained. Pollutant emissions are reduced through a combination of rational fuel consumption and route optimization, as provided by the individual vehicle movement documents.

The amount of electricity and heat energy used in the administrative offices, MBOs, and branches of the Bank*

Resource	2019	2020	2021	2022
Electricity, kW·h	60,351,310.19	62,493,903.09	60,567,860.78	64,497,367.98
Heat, Gcal	38,912.85	44,327.11	48,587.62	55,656.62

* Based on the Bank's/lessors' metering data and as compensated by the Bank.

Relative energy intensity of the Bank

Subdivision of the Bank	2019	2020	2021	2022
Administrative offices, kW·h/m ²	226.32	209.25	228	227
MBOs and branch network, kW·h/m ²	-	352.56	119.56	168.1

Total amount of diesel fuel and gas consumed by the corresponding units

Fuel type	2019	2020	2021	2022
Diesel fuel, liters	7,060	8,015	10,008	4,629
Gas, m ³	190,315	193,338	180,815	449,461

Total amount of fuel used by the Bank's vehicle fleet

Fuel type	2019	2020	2021	2022
Diesel fuel, liters	446,788.53	437,375.53	527,232.70	566,290.73
Petrol, liters	1,898,295.65	1,668,463.16	1,851,749.88	1,813,243.15

Water Consumption

To meet its hot- and cold-water requirements, the Bank uses the local water supply networks of the municipalities in which its administrative offices, branch offices, and branches are located.

The slight water consumption increase in 2022 is due to reaching the pre-pandemic office operation scope and commissioning of additional office and warehouse spaces, with a rate of 6.33 liters per employee. Changes in the structure of water consumption are due to changes in the branch network structure and subdivision subordination.

In accordance with provisions of its Dedicated Policy on Environmental Responsibility, the Bank is committed to reducing water consumption and conserving the water used in its production activities. Efficiency indicators have been established for reducing water consumption by up to 13% compared to the 2019 base year value in the Bank's MBOs and branch network, and the minimum costs for implementing the necessary measures have been determined.

Key measures to reduce the Bank's water consumption are developed by dedicated administrative structural units and include the following:

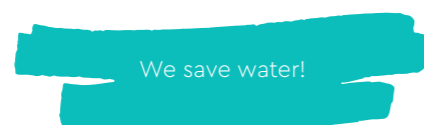
- analysis of water meter readings to identify water consumers;
- provision of information and staff engagement;
- monitoring and adjustment of the water system and supply equipment;
- replacement and/or new installation of plumbing fixtures and fittings.

THE BANK ORGANIZES REGULAR QUARTERLY MONITORING, SAMPLING AND CHEMICAL ANALYSIS OF ITS SURFACE STORM WATER BY A CERTIFIED LABORATORY

The Bank's water consumption*

Subdivisions of the Bank	2019	2020	2021	2022
Administrative offices, m ³	51,519.42	48,476.06	49,004.91	27,272.69
MBOs and branch network, m ³	85,227.38	85,050.96	88,983.75	113,135.26
Total	136,746.8	135,527.02	137,988.66	140,407.95

* The indicators are based on the water meter readings of the Bank / lessors, and include volumes paid for by the Bank.



Waste Management

Bank GPB (JSC) has an extensive network of administrative and branch offices, and branches in various regions of the Russian Federation; collectively, the Bank's offices generate wastes in Categories I–V of the hazardous waste classification. In accordance with the requirements of Federal Law No. 89-FZ "On Production and Consumption Waste" and Order of the Ministry of Natural Resources and Environment No. 1028 "On the Approval of the Record-Keeping Procedure in the Field of Waste Management" dated 8 December 2020, the Bank keeps the record of its waste management.

In 2022, the overall volume of waste produced by Moscow-based administrative and branch offices of the Bank and transferred to third parties amounted to 1,904,661 tons.

Hazard Class I waste includes mercury and fluorescent lamps; Hazard Class II — batteries, non-interruptible power supply units, galvanic batteries; Class III waste — cartridges, antifreeze agents; Class IV waste, which makes up the bulk of the waste, chiefly consists of office equipment, municipal solid waste, furniture, and products made of wood, as well as sweepings from the Bank's outdoor premises; Class V waste includes paper and cardboard.

The Bank disposes of its waste, in accordance with the requirements of Federal Law No. 89-FZ "On Production and Consumption Waste," with the waste being recycled, neutralized and/or buried based on long-term contracts with licensed third-party organizations. Consequently, the Bank sends mercury and fluorescent lamps for neutralization, whilst power cells and batteries, office equipment and cartridges, paper and cardboard waste, and plastic cards are sent for recycling.

The overall volume of waste generated by the Bank in 2022

WASTE PRODUCED BY MOSCOW-BASED ADMINISTRATIVE AND BRANCH OFFICES OF THE BANK AND TRANSFERRED TO THIRD PARTIES —

1,904,661 T

The reduction in the quantity of waste paper transferred for recycling was caused by a number of factors, among which are the transition to electronic document workflow, the specifics of the paper waste accounting and control system associated with the change of contractor and accounting for finely shredded paper. The Bank is working on the improvement of the system of accounting for waste paper transferred for recycling.

The overall structure of waste generated by Moscow-based administrative and branch offices of the Bank*

Hazard Class	I	II	III	IV	V	TOTAL
Waste quantity in 2021, tons	0.825	13.137	4.188	1,167.412	33.713	1,219.275
Waste quantity in 2022, tons	0.826	1.533	1.370	1,874.697	26.235	1,904.661

* Reported in accordance with Order of the Ministry of Natural Resources No. 1028 dated 8 December 2020.

Circular Economy

In accordance with its Dedicated Policy on Environmental Responsibility, the Bank annually monitors the municipal solid waste (MSW) generated by it.

The increase in MSW volumes in 2022 was due to the production activities fully reaching the pre-pandemic level, an increase in the number of employees, and commissioning of new facilities. The MSW accounting system was also affected by new contracts with the regional environmental operator as well as the adjustment of waste generation rates and coefficients for their calculation.

In line with its Dedicated Policy on Environmental Responsibility and the federal legislation, the Bank concluded all outstanding agreements with the licensed waste management operators in the regions of the Bank's operations in 2022. This had an impact on both its MSW accounting system and the way waste is handled. The responsibilities of the regional operator include waste treatment, recycling, and disposal.

The Bank is committed to improving its waste generation accounting system, ensuring efficient recycling, and reducing to a minimum the amount of waste sent to a landfill. The Bank holds the necessary permits issued by the regulatory government agencies in the field of waste management, pays regular pollution charges, prepares and provides annual statistical reports.

In accordance with the requirements of Federal Law No. 89-FZ "On Production and Consumption Waste" dated 25 July 2017, and Decree No. 1589-r of the Government of the Russian Federation "On Approval of the List of Production and Consumption Wastes Containing Commercially Useful Components Banned from Disposal at Landfill Sites", the Bank collects and recycles the generated waste separately.

The Bank is committed to increasing its contribution to the circular economy by making a general reduction in the amount of materials it uses, increasing the amount of materials it recycles and the amount of recycled materials it purchases.

- To reduce the amount of paper consumed, the Bank is actively implementing an electronic document management system. It has already introduced the BoardMaps automated system, enabling provision of the necessary documents for meetings of the Bank's collegiate organs in an electronic format.
- In accordance with its Dedicated Policy on Environmental Responsibility, the Bank is committed to increasing the volume of waste paper collected and sent for recycling. To achieve the targets it has set itself, the Bank has equipped all its offices with containers for separate collection of waste and instructed the staff on how to use them. The waste generation accounting system is constantly being improved.
- To increase its share of recycled materials, the Bank is prioritizing the purchase of eco-labeled paper.

The Bank's offices have separate waste collection containers, including those for cardboard and paper, batteries, and plastic cards. In 2022, The Bank worked to expand the separate waste collection system in its major offices. The Bank also signed a Memorandum of Cooperation in the Area of Circular Economy with the Russian Environmental Operator public law company in the reporting year as well as the roadmap for its efficient implementation and involving the Bank's recyclables in the economic turnover.

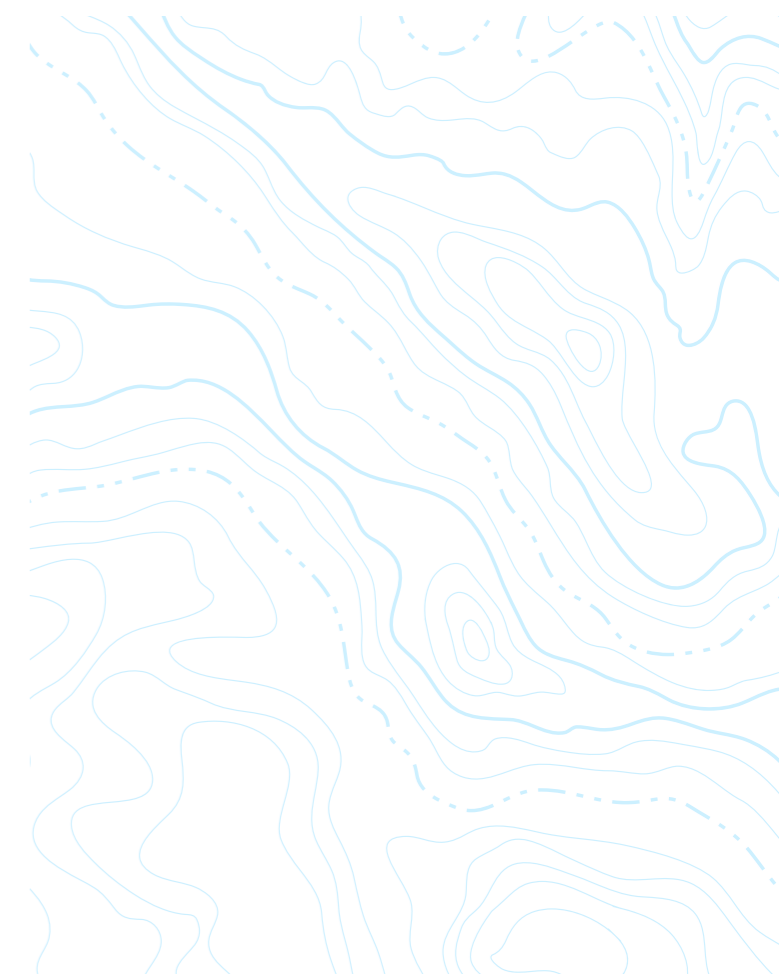
Fractions and volume of wastes of different hazard classes transferred for recycling or neutralization in administrative offices and MBOs in Moscow

Waste collected separately and sent for recycling, tons	2019	2020	2021	2022
Office equipment	18	2.51	11.4	24.777
Cardboard and paper	75.6	47.3	33.8	26.235
Batteries	-	-	13.127	1.533
Plastic cards	-	-	0.48	1.483

Volume of waste generated in administrative offices and MBOs of the Bank in Moscow

	2019	2020	2021	2022
Volume of MSW generated by the Bank's production and consumption activities, tons	760.56	452.98	548.41	1,102.361

All waste accounted for



Sustainable Supply Chain

In carrying out its procurement activities, Gazprombank is guided by certain goals and principles, such as protection of its financial interests and corporate image, openness and transparency, fair competition between the suppliers of goods, service providers, and work contractors, equality, fairness, and absence of discrimination or any unreasonable restrictions on competition, widening the opportunities for individuals and legal entities to participate in the process and stimulating such participation with fair and reasonable procurement principles.

The Bank adheres to the principles of honest and proper business conduct, respect, mutual and trusting partnership, compliance with legislation as well as global environmental norms and standards. Following the progressive global trends, the Bank has developed a set of minimum standards of ethical conduct, based on compliance with social, legal, and environmental standards and a responsible attitude towards the supply of goods, works, and services. The standards are applicable to the Bank's suppliers, agents and contractors, their employees, agents, co-agents, and subcontractors who are engaged with the Bank during its procurement and contractual activities.

In 2022, goods, works and services with a prominent position on the market were purchased by the Bank on a competitive basis. In this context, more than 65% of the Bank's purchases were made following competitive procurement procedures, including administrative and household goods, various types of advertising, construction works, as well as IT products and services.

At the same time, the Bank carried out 68 preliminary qualification-based selections of suppliers of goods, works, and services in the various constituent entities of the Russian Federation to select the qualified vendors that were included by the Bank in the Unified Register of Qualified Suppliers and who subsequently took part in the competitive procurement procedures, in their respective areas.

The Bank aims to create better conditions for healthy competition between market participants who would like to take part in the procurement procedures and become the Bank's partners. As a result, 65 new market participants who had not previously cooperated with the Bank took part in the Bank's competitive procurement procedures in 2022.

In accordance with its Dedicated Policy on Environmental Responsibility, in its procurement activities the Bank strives, wherever possible, to factor in the requirements established by the Bank's internal regulatory documents, to select suppliers, agents, and contractors who have officially signed up to the principles of environmental responsibility and who are themselves committed to high environmental standards. As part of improving its procurement procedures, during the reporting period, the Bank developed a questionnaire to collect information and assess the environmental responsibility of its suppliers and contractors for use during procurement procedures. It includes such aspects as the suppliers having an environmental management system implemented, the availability of environmental passports for their products, publication of environmental reports and information on the carbon footprint of their products, and participation in environmental campaigns and events.

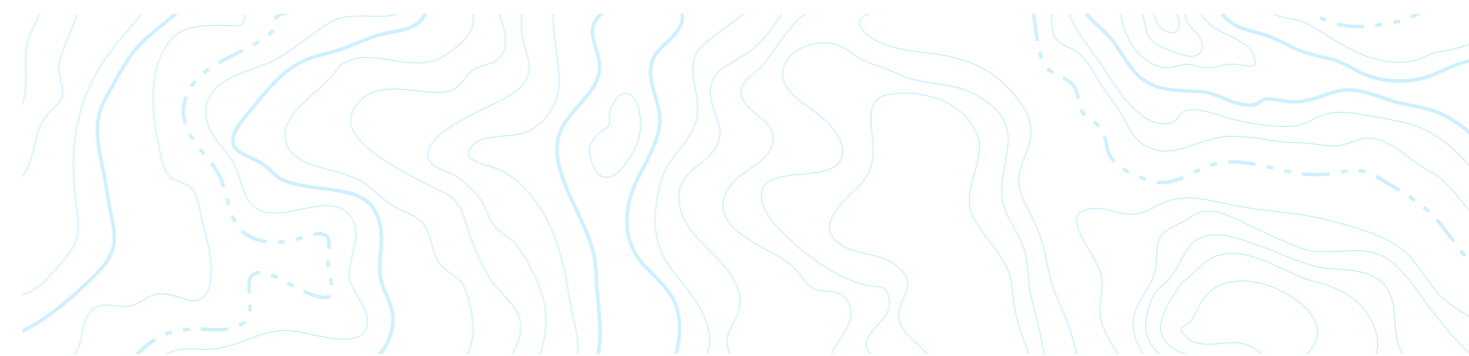
The mandatory qualification requirements for participants in procurement procedures are specified in the Bank's procurement documentation, which is either posted on the Bank's website and electronic trading platform when the open procurement procedures are announced or circulated among groups of qualified participants during closed procurement procedures. The requirements set by the Bank when selecting suppliers, agents, and contractors apply to all participants in the procurement procedures, and equally to all and any co-agents and subcontractors engaged by them.

When selecting suppliers and contractors whose exclusive goods, works and services are available on the market in limited quantities, the Bank is guided both by the need to meet the needs of its infrastructure taking into account economic efficiency and by the possibility of purchasing products from suppliers and contractors who comply with social, legal and environmental norms and are responsible about their contractual obligations.

As the Bank is active in various regions of the Russian Federation, procurement procedures were also carried out in the Bank's regional branches. Representatives of different regions of the country participated in the Bank's procedures in 2022 on equal terms. These included individual entrepreneurs as well as small, medium-sized, and large businesses from both Russian and international markets. They had an option of submitting a collective bid, i.e. to collaborate to supply goods, perform works, and render services, as well as to engage subcontractors or co-agents. Such an opportunity allowed SMEs to unite and become the Bank's suppliers even when implementing large-scale projects.

Suppliers, agents, and contractors found to have acted unethically, or who were deemed to have provided false information either during the Bank's procurement procedures or while performing the contract, have been included in the Bank's Register of Untrustworthy and Unreliable Suppliers and will have no further opportunity to participate in the Bank's procurement procedures. Taking into account the Bank's procedures for organizing and carrying out its procurement and contractual activities, such cases of unethical conduct on the part of suppliers, agents, and contractors are undoubtedly isolated occurrences since the Bank's procurement requirements and terms attract bona fide competitive market representatives.

In the interests of further developing its business infrastructure, the Bank is continuing with its plan to introduce social and environmental aspects into its procurement activities. This allows ensuring the stability and reliability of the chains of supply implemented by its suppliers of goods, works, and services.



FRIENDLY OFFICE

EMPLOYEE CARE



The Bank's employees

TOTAL NUMBER OF EMPLOYEES
AS OF 31 DECEMBER 2022

26,887 PEOPLE

AVERAGE STAFF NUMBER IN 2022

22,147 PEOPLE

INCLUDING

61% WOMEN

Gazprombank has been consistently recognized as one of the best employers in the financial sector, as well as one of the most attractive employers for women throughout recent years. More than half of the Bank's management positions are held by women, and the majority of all employees are also female (61%).

At the end of 2020, the Bank introduced its comprehensive Human Capital Management Program. The key performance metrics of the Program are the increase of the net operating income per employee, the achievement of the best possible results in respect to brand development, keeping staff turnover at the recognized market minimum for organizations in the financial sector, increasing the number of employees working under key performance indicators, and automating the HR processes.

Age	Women	Men
Up to 30 years old	3,602	2,284
30–50 years old	11,018	6,640
Over 50 years old	1,806	1,537
Total	16,426	10,461

Employment type	Women	Men
Temporary	1,289	379
Regular	14,553	8,611
Secondary (external)	584	1,471
Total	16,426	10,461

Staff composition and structure

Type of worker	Year	Up to 30 years old, %	30–50 years old, %	Over 50 years old, %
Chief Executives	2020	0.56	63.28	36.16
	2021		60.56	39.44
	2022		63.04	36.96
Chief Accountant	2020		100.00	
	2021		100.00	
	2022		100.00	
Management Board	2020		41.18	58.82
	2021		44.44	55.56
	2022		44.44	55.56
Employees	2020	22.67	66.43	10.90
	2021	22.40	66.15	11.45
	2022	22.13	65.72	12.15
Branch Managers	2020		60.00	40.00
	2021		60.87	39.13
	2022		60	40

Type of worker	Year	Women, %	Men, %
Chief Executives	2020	25.42	74.58
	2021	25.76	73.24
	2022	26.46	73.54
Chief Accountant	2020		100.00
	2021		100.00
	2022		100.00
Management Board	2020	11.76	88.24
	2021	16.67	83.33
	2022	16.67	83.33
Employees	2020	63.89	36.11
	2021	62.73	37.27
	2022	61.48	38.52
Branch Managers	2020	20.00	80.00
	2021	21.74	78.26
	2022	20	80

Health and Safety at Work

The Provisions on the Occupational Health and Safety Management System have been in place at the Bank since 27 December 2018; these were drawn up by the Bank in accordance with recommendations outlined in the current occupational health and safety legislation of the Russian Federation. The Provisions apply to all buildings and structures of the Bank, including those assigned to the Bank on a leasehold basis, and across the entire territorial reach of the Bank. The Provisions are binding on all employees of the Bank, irrespective of whether they work at the head office or in a branch, and moreover, extend to all persons located on the territory, buildings, and structures of the Bank.

A Collective Agreement, valid until 6 June 2023, was in force at the Bank in 2022. The Collective Agreement's expiry date is established in an additional agreement made on 29 May 2020. The Collective Agreement applies to all employees of the head office and branches of the Bank, regardless of their trade union membership status. A further additional agreement dated 30 December 2021, introduced the necessary amendments and additions to the original text of the Collective Agreement

In accordance with the requirements of employment legislation, the Bank is obliged to regularly carry out a Special Assessment of Working Conditions (SAWC). SAWC helps to identify the harmful factors in every work place and take measures to eliminate them. So far, 6,863 workstations have been assessed. Permissible working conditions (Class 2) were established at all workstations assessed so far, thus indicating the complete absence of any harmful production factors.

The Bank has implemented an occupational health and safety management system in accordance with Gazprombank (Joint Stock Company) Provisions on the Occupational Health and Safety Management System No. 1/168 approved on 27 December 2018. The system was put into place in accordance with the legal requirements based on Article 217 of the Labor Code of the Russian Federation, Order of the Ministry of Labor and Social Affairs of the Russian Federation No. 438n "On the Approval of the Standard Regulations on Occupational Health and Safety Management System" dated 19 August 2016, and the following standards:

- GOST 12.0.230.1-2015. Interstate Standard. Occupational Safety Standards System. Occupational Safety and Health Management Systems. Guidance for use of GOST 12.0.230-2007.
- GOST 12.0.004-2015. Interstate Standard. Occupational Safety Standards System. Organization of Training for Labor Safety. General Provisions.
- GOST 12.0.230-2007. Interstate Standard. Occupational Safety Standards System. Occupational Safety and Health Management Systems. General Requirements.

The Occupational Health and Safety Management System applies to all employees of Bank GPB (JSC), including those who work remotely or have a hybrid work model as well as part-time employees. The Bank trains its employees in occupational health and safety in accordance with Decree of the Government of the Russian Federation No. 2464 "On the Procedure for Training in Occupational Safety and Testing Knowledge of the Occupational Safety Requirements" dated 24 December 2021 (together with the Rules for Training in Occupational Safety and Testing Knowledge of the Occupational Safety Requirements and Bank GPB (JSC) Methodology for Organizing Training and Testing Knowledge of Occupational Safety Requirements No. VND-226-1 dated 1 September 2022). The training has the following levels:

1. Briefing:

- Induction briefing
- Occupational safety briefings at the workplace
- Pre-job briefings

2. Internship

3. Training:

- on general occupational safety issues and the occupational health and safety management system
- on safe methods and techniques of performing work under the influence of harmful and/or hazardous production factors and sources of danger identified during SAWC and the assessment of occupational risks
- on providing first aid
- on the use (application) of personal protective equipment
- on occupational safety by types of work requiring special training

Injury statistics in the Bank

NUMBER AND PERCENTAGE OF CASES OF WORK-RELATED INJURIES THAT RESULTED IN DEATH

NUMBER AND FREQUENCY OF WORK-RELATED INJURIES WITH SEVERE CONSEQUENCES (EXCLUDING FATALITIES)

NUMBER AND RATE OF REGISTERED WORK-RELATED INJURIES

The main types of work-related injuries identified during occupational risk assessment include danger of jamming during evacuation, poisoning by combustion byproducts, death in fire or smoke, danger of burns, blows, and cuts in emergency situations, traffic accidents, injury from being hit by a falling object or falling from different heights (stairs), violence from hostile employees/third parties, danger of electrical injury, nervous system malfunction, and random muscle contractions.

According to the results of the Special Assessment of Working Conditions (SAWC), the Bank's workplaces are free from any harmful production factors.

Whistleblowing Hotline

TO MAINTAIN THE HIGH LEVEL OF EMPLOYEE CONFIDENCE IN THE BANK AND ENABLE EMPLOYEES TO INFORM MANAGEMENT OF ANY BREACHES OF NORMAL PRACTICE, OF WHICH THEY HAVE BECOME AWARE, THE BANK HAS INSTALLED A WHISTLEBLOWING HOTLINE

The Whistleblowing Hotline is a tool for detecting and preventing wrongful behavior at the Bank (fraud, corruption, actual or suspected breaches of the law and the Bank's internal documents), as well as any unauthorized actions carried out by the Bank's employees or business partners, which may result in losses for the Bank and its customers.

Employees can either identify themselves or file a claim anonymously, report an incident, or ask a question using one of the available options: make a phone call, send an email, or fill out a form on the corporate portal.

The Bank guarantees the protection of the employee's identity and confidentiality of the information provided.

Incoming information is analyzed, and if necessary, verified, by the authorized structural units of the Bank.

In 2022, a total of 33 messages were recorded. Most of the messages received were HR-related (wages, incentives, relations with the management), with the remainder focused on organizational issues linked to the Bank's operations.

All the messages were reviewed, relevant actions were taken, and replies sent out.

Total number of messages recorded by the Bank's Whistleblowing Hotline during the reporting period

	2016	2017	2018	2019	2020	2021	2022
Total	24	20	23	30	32	40	33
Of that:							
processed during the reporting period	24	20	23	30	32	40	33
resolved during the reporting period	24	20	23	30	32	40	33

All the questions were answered

Promoting a Healthy Lifestyle

The introduction of COVID-19 restrictions and the subsequent transition, in March and April of 2020, of nearly 10,000 staff members to work-from-home (WFH) was stressful and led to frequent difficulties in balancing work obligations with personal life. These changes in lifestyle also had a negative effect on eating habits and the ability to maintain a healthy lifestyle.

In 2022, the Bank continued working on a complex of measures designed to help employees come to terms with the new realities of everyday life. The measures were intended to increase employee engagement and productivity by creating an ecosystem of programs covering the different areas of human well-being.

PHYSICAL WELL-BEING

1. Extension of the VMI (Voluntary Medical Insurance) package: VMI is now provided from the first day of employment at the Bank, tele-medicine services have been added to the VMI package.

A VMI contract, additional to the compulsory medical insurance program, is available to all the Bank's full-time staff; the VMI contract enables employees to take advantage of high-quality medical care, including in-patient and out-patient care, dental care, pre-natal and obstetric care, and emergency medical treatment in a range of medical institutions.

An accident insurance (AI) contract is also available to all full-time employees of the Bank. Under provisions of the accident insurance contract, employees are provided with insurance payouts in the event of the following: "temporary loss of earning capacity due to an accident," "disability resulting from an accident," "loss of occupational earning capacity due to an accident," or "death resulting from an accident." The period of coverage is 24 hours per day within the Russian Federation.

2. Support for the families of employees: the VMI contract is available at preferential rates to the relatives of the Bank's full-time employees.

3. Protection of employees when working under conditions of increased epidemiological threat: the regular cost-free PCR testing of office workers and the provision of personal protective equipment for employees and their families. The Bank has developed a system of color coding that defines the rules of the Bank's operations depending on the epidemiological status. Employees were offered vaccinations (including the CoviVac vaccine) twice per year on the Bank's premises. To enable employees to sign up for PCR testing and vaccination and to inform them about changes to the working schedule and operating regulations, a special landing page was created on the "Working During the Pandemic" Intranet portal.

4. Ensuring physical security: all new employees are provided with the phone number of the Bank Duty Officer, who can be contacted for a consultation or to summon the Duty Emergency Team in the event of an emergency or any occurrence deemed to pose a threat to the well-being of any of the Bank's employees or their relatives, to receive assistance in case of a road traffic accident, etc.

TRANSFORMATION OF POWER

In 2022, the Transformation of Power fitness and sports project for the Bank's employees was held online with the help of a mobile app. It ran for ten weeks, with more than 1,500 employees taking part as 21 teams from the head office and the branch network. It included:

- more than fifty activities for different fitness levels;
- one global and 28 smaller challenges;
- chatrooms with athletic mentors Irina Turchinskaya and Vladimir Laptev;
- a library of special materials and workouts from sports and nutrition experts.

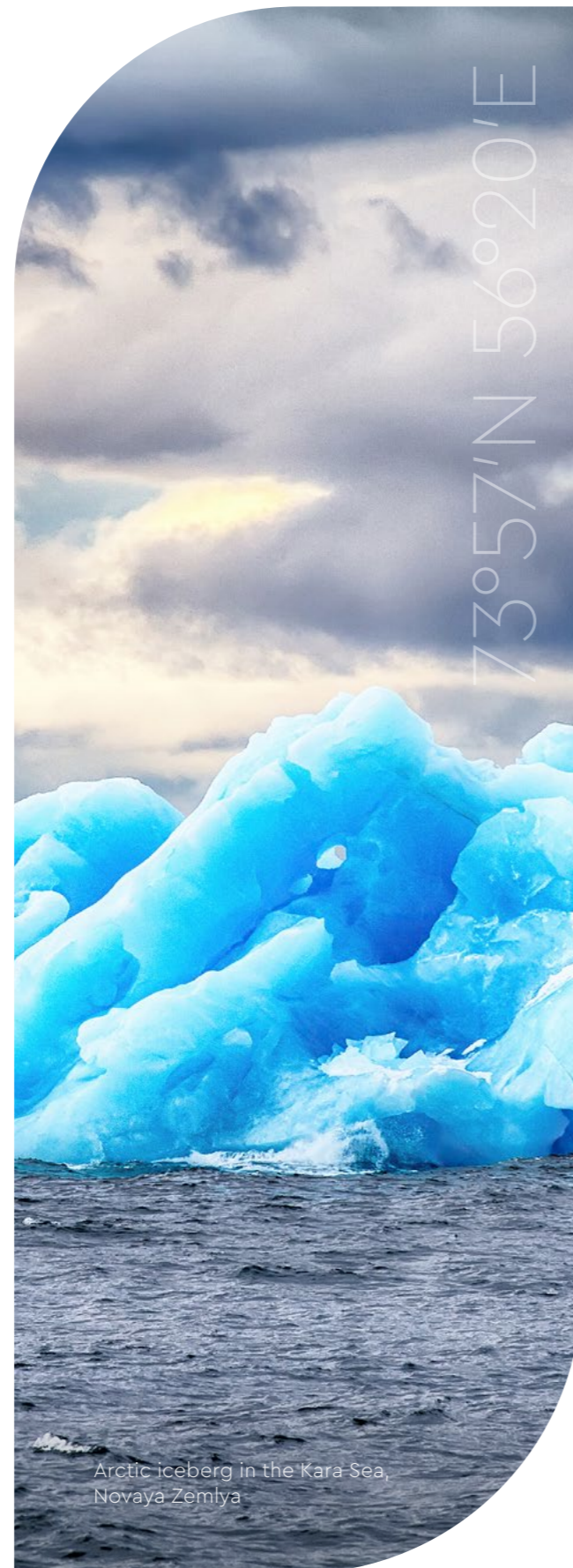
The winners were the teams from the Surgut, Ural (Yekaterinburg), and Novy Urengoy branches.

Each participant also took part in the global challenge to collect a million charges to donate a million rubles to the Silver Threads Charity Fund. And the goal was successfully achieved!

Mental Well-being

GPBCARE SERVICE — CONSULTATIONS WITH A PSYCHOLOGIST

The Bank offers its employees free confidential consultations with a psychologist (a partner program run in conjunction with the European Legal Service "Dobroservice"). To help remove the barriers and motivate staff to be more attentive to their mental health issues, the Bank runs open webinars within the "Week of Wellbeing" and the 3-week long "Relationship-building Marathon".



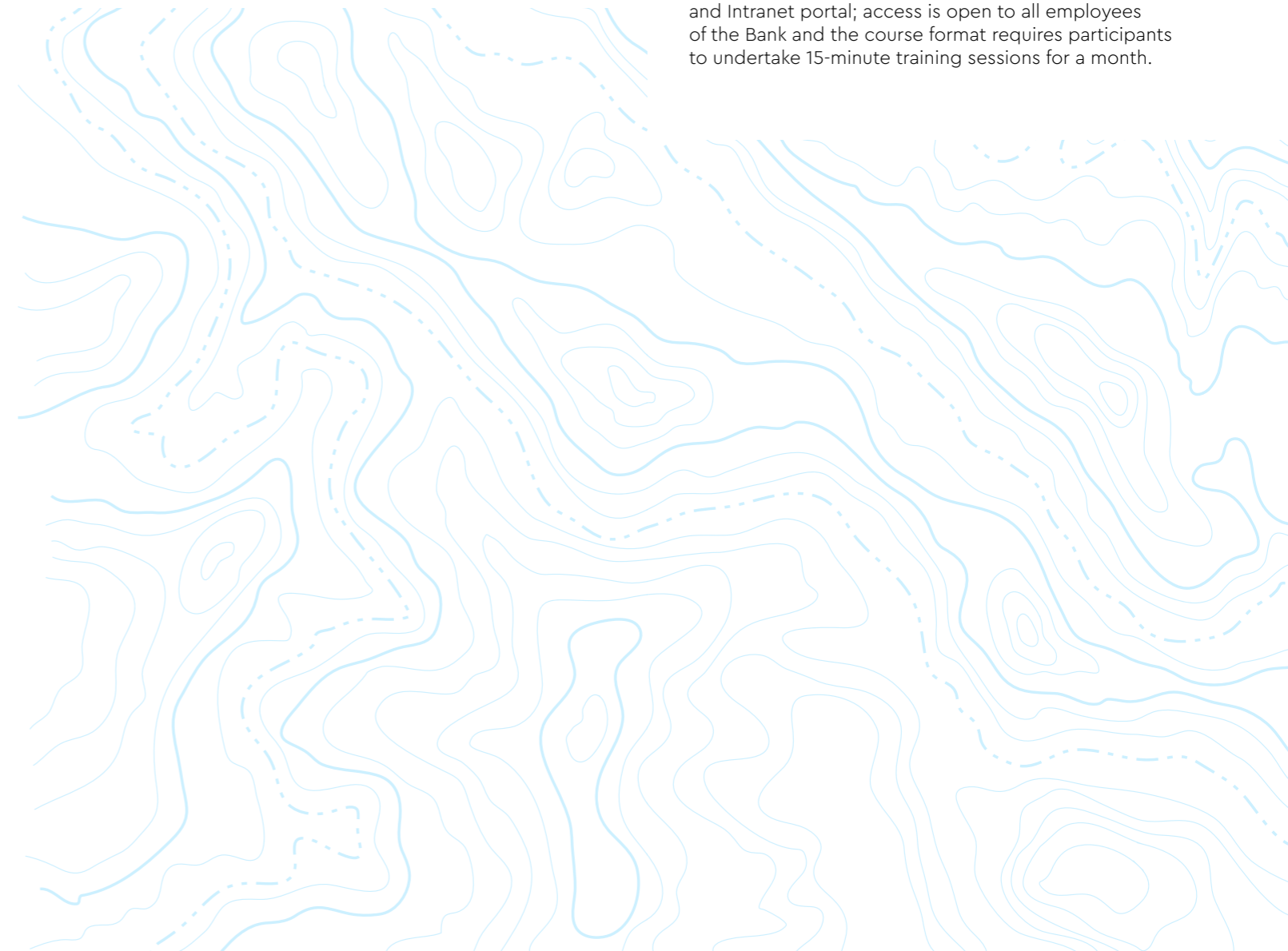
Arctic Iceberg in the Kara Sea,
Novaya Zemlya

TRAINING IN BURNOUT PREVENTION AND STRESS MANAGEMENT

These training sessions are conducted on a regular basis and employees are free to enroll themselves on the training portal at any time.

THE WIKIUM PLATFORM

The Wikium platform provides exercises designed by the largest developer of interactive games and exercises in Russia and the CIS to help improve the cognitive functions of the brain with special attention given to the processes of thinking, memory, logic, and broadening attention span. The platform is advertised on the Bank's training and Intranet portal; access is open to all employees of the Bank and the course format requires participants to undertake 15-minute training sessions for a month.



EDUCATION

EMPLOYEE TRAINING AND DEVELOPMENT



Employee Education

THE BANK PUTS A LOT OF EMPHASIS ON EMPLOYEE DEVELOPMENT

With a comprehensive approach to employee training, the Bank offers many tools to unlock the potential of each of them:

- open programs in the format of face-to-face trainings and webinars on popular topics such as critical and creative thinking, emotional intelligence, communication skills, resilience, and training soft skills through art and science;
- corporate training on the impulse portal offering a wide range of programs to develop hard skills, as well as professional and mandatory training;
- Outbox mobile app to develop skills of the future featuring more than a hundred courses on soft and digital skills;
- libraries of business literature from Alpina and MIF publishing houses as well as the IBooks library of translated IT books originally published by O'Reilly;
- Wikium cognitive skills development platform;
- LegalAcademy platform for lawyers and everyone who deals with legal issues in their work;
- Skillbox courses on programming, design, marketing, or management available to every employee even if they have no experience and just want to try their hand at something new.

In 2022, the Bank focused on manager training, launching the GPB Leaders program for retail managers of the branch network. The program was based on comprehensive training in business areas, service, customer focus, and business management in the regions.

For several years now, the Bank has been paying special attention to the issue of feedback, the need for objectivity and impartiality, the importance of dialogue, and the culture of openness in which mistakes can be discussed. Employees can choose how they want to learn (through an interactive training series or a microlearning practical course), use checklists and recommended books to reinforce their knowledge, and download stickers for messenger apps. The project page is constantly being updated with new content, special activities, and raffles to engage employees. More than 2,800 people have already taken part in the project.

Another focus area for the Bank is training young specialists to work in the Bank. In 2022, it launched the IT Factory Mobile Development School, which offers training in Android and iOS app development. With the help of Otus, the Bank has trained 70 people.

Employee development projects

SINCE LAUNCH, THE FEEDBACK PROJECT
HAS SEEN MORE THAN

2,800 PARTICIPANTS

LAUNCHED IN 2022, THE IT FACTORY MOBILE
DEVELOPMENT SCHOOL WITH THE HELP OF
OTUS TRAINED

70 EMPLOYEES

Corporate Activities

The Bank provides staff training and engages its employees in activities that are mindful of the Sustainable Development factors.

In-house events are regularly put on by the Bank for the purposes of raising the level of environmental and social awareness of its staff.

TRANSFORMATION OF THE MIND PROJECT

- Intellectual club "What? Where? When?" (20 online games and 5 offline games).
- GPBIntellectorium: lectures in six different spheres delivered in online and offline format, more than 1,500 employees took part.
- GPBquiz: New Year game, which united 600 participants from 27 Russian cities into 102 competing teams.

TRANSFORMATION OF SPIRIT

In 2022, the Bank launched the Metamorphosis [Public Speaking Challenge] with the main goal to develop personal communication skills, team management techniques, and leadership skills through the basics of acting. It was supervised by Nikita Nepryakhin, a writer, TV and radio host, and a professional speaker. 18 people took part in the project, rehearsing and performing three plays over the course of two months.

The GPBgame e-sports tournament was also held for the first time in 2022 and featured nine teams. A total of 144 people — 20 teams and 15 individual players — took part in the games.

GPB PROMAN/PROWOMAN PROJECT

The ProMan/ProWoman project is intended to help our colleagues maintain a healthy mind in a healthy body. The project's tutors are Irina Turchinskaya, Moscow bodybuilding fitness vice champion and medalist in the Russian fitness championships, and Vladimir Laptev, vice world champion in track and field athletics. The ProMan/ProWoman project includes training sessions, yoga, classes on healthy lifestyle and dietary nutrition, lectures by celebrities from completely different backgrounds, lectures on investments, and culinary master classes.

The six-week long project was delivered online and attracted 759 people, of which 63% lost weight and 37% gained muscle mass.

GPBECOOFFICE

This is a project designed to support global conscious consumption and waste sorting trends. It is implemented under the Sustainable Office Concept (No. VND-231-1 dated 26 October 2022, approved by the Bank's Management Board on 26 November 2022).

2022 saw the following events:

- EcoDays, the days for collecting recyclables which yielded more than 140 kg of different factions of recyclable materials.
- EcoQuiz, the Bank's first online game on environmental issues with 243 participants from 21 Russian cities.

GPBKINDNESSTEAM

The GPBKindnessTeam brought together the Bank's employees who care to help those who need it the most. The project includes three areas: volunteering, charity, and targeted assistance.

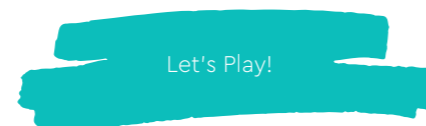
Key 2022 events included:

- Gazprombank Donor Days, three donor events at the head office and the branch network. More than 400 employees took part in this event.
- The Look and See charity campaign together with the Enjoyable Aging Charity Foundation, which helped raise funds for prescription eyeglasses for the elderly and disabled.
- The Family Mail charity campaign together with the Sozidaniye Foundation as well as the Good Schoolbag campaign that helped gather stationery for children from orphanages and low-income families.
- A charity New Year's fair at the Aquamarine Business Center, which featured ten foundations and more than 300 of our colleagues.
- The yearly charity campaign during which the employees of the Bank's head office and eight branches gave gifts to 600 children from orphanages and low-income families as well as gravely ill children.

The GPBKindnessTeam project also included the Good Deeds Marathon, a month of activities during which each employee of the Bank had an opportunity to become a volunteer, help proven charitable foundations and, of course, learn more about what the Bank does in this area. The Marathon had the following activities:

- An online quiz for volunteers that 255 employees took part in.
- Donor's Day with 155 employees from eight Russian cities.
- A volunteer trip to the Yuna Center for the Rehabilitation of Temporarily Homeless Animals. 32 employees of the Bank took part in this event, and one of them became a guardian of a cat fostered by the foundation.
- Gazprombank EcoDay that was attended by 70 employees from the Bank's head office.
- Social Volunteering: How Can I Help? webinar.
- Collection of books for charity in Moscow and St. Petersburg to support the Re:books project. In two weeks, the Bank's employees managed to put together 800 books that were then sent to the Yasski village library and the Ordzhonikidze Regional Library.
- Three fundraising campaigns that helped purchase educational equipment for children supervised by the Arithmetic of Good Foundation, medical surgical beds for the care recipients of the Voronezh Region Psychoneurological Hospital and the Enjoyable Aging Charity Foundation, as well as medical tools for the Yuna Center.

In total, the Bank's employees raised more than RUB 1.2 million to help those in need.



CUSTOMER CARE



SINCE 2015, GAZPROMBANK HAS FINANCED
THE CONSTRUCTION OF

40 SOLAR-POWERED PLANTS
IN 12 REGIONS OF RUSSIA

TOTAL CAPACITY OF SOLAR-POWERED PLANTS IS

1,070 MW



Kosh-Agach Solar Power Plant,
the Altai Mountains

Investment in Infrastructure

As of the end of 2022, the total budget of infrastructure projects financed with Gazprombank's participation amounted to over RUB 2.2 trillion. The green energy financing portfolio remained at about the same level as in 2021 with RUB 228 billion, with the Bank also adding lending projects for the production of green energy generation equipment amounting to RUB 7 billion.

Gazprombank's share in the Russian renewable energy market remained at the level of two thirds of the total amount of disbursed loan funds. In 2022, the Bank financed the construction of solar power plants with a total capacity of 227 MW by Green Energy Rus, Solnechnyy Veter, and VIE LLC. These include financing of the construction of the Yuzhno-Sukhokumsk solar power plant with a capacity of 15 MW in the Republic of Dagestan. It consists of 40 thousand solar modules and covers an area of more than 30 ha. The project amounts to RUB 1.5 billion, with 80% of it financed with Gazprombank's loan funds. Gazprombank's credit limits in energy sector projects complying with sustainable development principles currently exceed RUB 360 billion. Since 2015, Gazprombank has financed the construction of some 40 individual solar-powered plants in 12 regions of Russia. The total capacity of the solar-powered plants constructed amounts to 1,070 MW.

Loan and security documentation was also signed for a project to finance the construction of production and technical complexes for Class 1 and Class 2 waste management for a total of RUB 26 billion, as well as shareholder documentation. Stroy-Profit purchased 49% of the shares of RG Zapadnaya Sibir for RUB 1.6 billion.

PROJECT FINANCE

The Project Finance Unit works in a wide range of industries where sustainable development projects can be implemented and is ready to negotiate cooperation with various companies interested in such projects. At the same time, the investment project bankability remains the key criterion for the Bank.

Total project budget

INFRASTRUCTURE PROJECTS FINANCED
WITH THE PARTICIPATION OF GAZPROMBANK
AS OF THE END OF 2022

RUB 2.2 TRILLION

GREEN ENERGY FINANCING
PORTFOLIO IN 2022

RUB 228 BILLION

LENDING FOR THE PRODUCTION
OF GREEN ENERGY EQUIPMENT

RUB 7 BILLION

The Bank includes the environmental and social responsibility of business on the agenda when discussing project financing with customers. But investment projects are always different; for example, there are projects focused on sustainable development from the very start, such as green energy ones. And there are also industries and projects that facilitate the country's economic growth, but the use of sustainable development principles in them is often extremely basic.

The Project Finance Unit follows the concept of actively working with customers that comply with the principles of sustainable development, including environmental friendliness and energy efficiency, allowing them to attract financing on more favorable terms. Projects that follow sustainability principles have a number of advantages that provide for better financing conditions.

When deciding to finance a project, the Bank considers it in terms of environmental responsibility, social responsibility, and the corporate governance. In line with current legislative trends, the environmental component is most clearly visible in the projects financed by the Bank.

#MEGAPLAYER

As part of the #MEGAPLAYER infrastructure strategy, the Bank plays the role of an integrator in the implementation of 80 major public-private partnership (PPP) projects, almost all of which have a pronounced social or environmental focus. These include road and logistics infrastructure, educational, medical, and cultural infrastructure, facilities for the processing of solid municipal waste, and digital infrastructure aimed at safety and consumer protection.

As of the end of 2022, the total budget of PPP projects with the Bank's participation, taking into account projects for which private and private concession initiatives were filed, increased by 81% YoY to RUB 2.9 trillion. Among other things, a commercial close was achieved for eight PPP projects worth RUB 122 billion, and a financial close (with the Bank deciding to provide financial support) was also reached for eight PPP projects with capital expenditures amounting to RUB 415 billion. Three social PPP projects, including an international one, were launched and are successfully functioning.

The PPP mechanism is one of the most effective tools for the implementation of sustainable development projects since it promotes "sustainable" cooperation between the state and the market in order to achieve common objectives, attract extrabudgetary funds to socially significant projects, and improve the quality of management of infrastructure projects at all stages of their implementation.

Total PPP project budget

PROJECTS FOR WHICH PRIVATE AND PRIVATE
CONCESSION INITIATIVES HAVE BEEN FILED
AS OF THE END OF 2022

RUB 2.9 TRILLION

EIGHT PPP PROJECTS REACHED
A COMMERCIAL CLOSE IN 2022 FOR

RUB 122 BILLION

The #MEGAPLAYER Strategy made the implementation of PPP projects with the Bank's participation even more effective for both the public and the state with the creation of an ecosystem that allows the #MEGAPLAYER to join infrastructure projects at any stage. The #MEGAPLAYER ecosystem includes participants with all the necessary expertise and allows one to prepare sustainable development projects, choose the best contractors, and ensure quick implementation with the highest possible quality for the population to receive the best product in terms of both performance and price. Project implementation under this strategy is not limited to Gazprombank financing and involves other banks and development institutions. It is planned to move forward in sync with the government policy under the #MEGAPLAYER Strategy to create new essential infrastructure in all regions of the country.

Banking Support of Contracts

BANKING SUPPORT OF CONTRACTS IS A HIGHLY EFFICIENT TOOL CONTRIBUTING TO INCREASED TRANSPARENCY OF CORPORATE MANAGEMENT OF THE INVESTMENT PROCESS

The interest in banking support of contracts is growing year after year. In 2022, the total portfolio of contracts transferred to Gazprombank for support exceeded RUB 12 trillion with an increase of over 49% YoY, which evidences the demand for this tool in various sectors of the economy. Systemic use of banking support by state corporations and major private companies as a standard for financial risk management has been a prominent trend in recent years. This tool is also in demand for monitoring the targeted use of funds under government contracts.

Banking support allows creating a unique ecosystem for each project and contract where contractors, suppliers and other agents work under common rules set by the customer. Gazprombank monitors compliance with these rules and provides digital services to ensure transparency in project implementation and contract performance as well as early identification of various risks, including deterioration in the financial standing of counterparties. With banking support, the customer can be confident that each payment of the project participants has been examined and is justified, the allocated funds are used for the intended purpose, and there are no inappropriate expenditures.

Total project portfolio in 2022

CONTRACTS TRANSFERRED FOR BANKING SUPPORT TO GAZPROMBANK

RUB 12 TRILLION

GROWTH AS COMPARED TO 2021

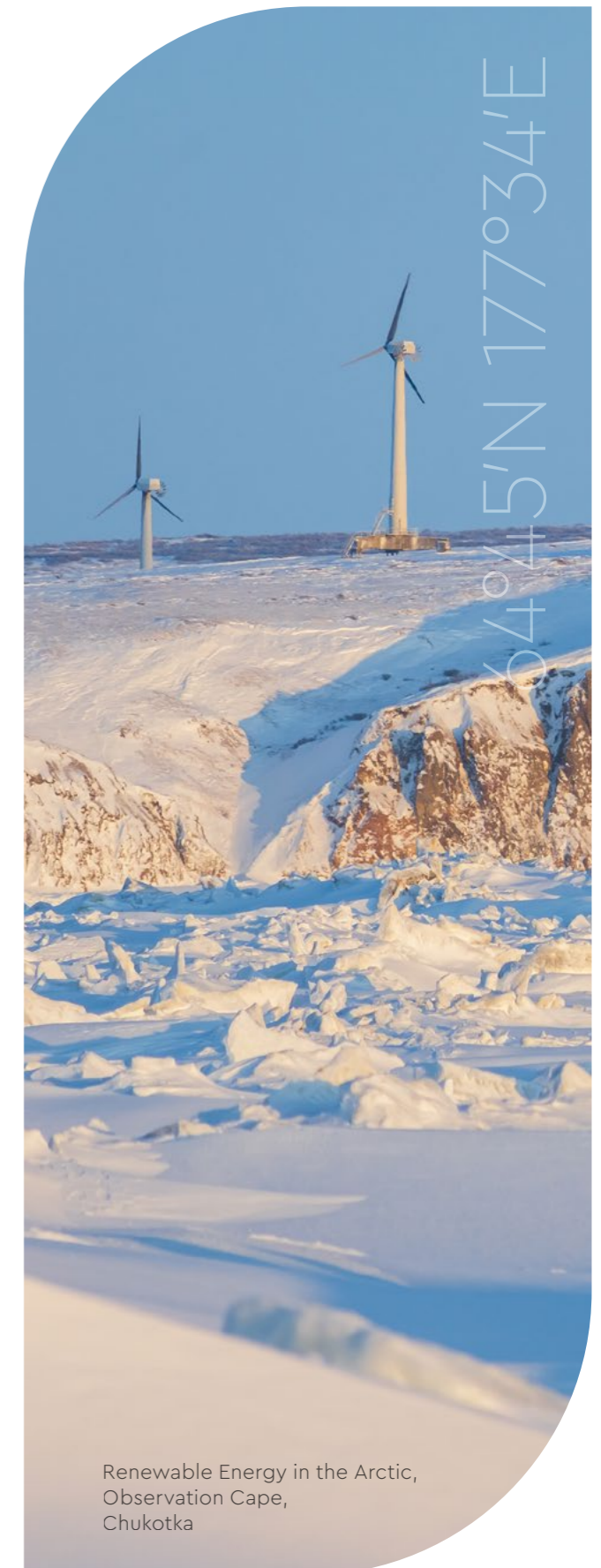
49%

Banking support is integrated into Gazprombank's credit product lineup and is actively used in project finance and contract lending, which ensures efficient management of the Bank's own credit risks. It is also important that banking support is often used as a standalone tool for the monitoring of the financing allocated from the customer's own investment program.

Today, banking support helps successfully implement renewable energy projects, including programs to create grid-connected solar power plants as well as wind and hydropower facilities. Such initiatives allow considerably reducing the anthropogenic load on the environment and switch to renewable natural resources.

Moreover, banking support is a crucial tool when implementing projects aimed at creating new transportation, logistics, and social infrastructure facilities, including PPP projects.

The project development strategy provides for increased digitalization and the provision of related services that allow for a comprehensive analysis of not only financial but also production components in the implementation of various business initiatives.



Renewable Energy in the Arctic,
Observation Cape,
Chukotka

Responsible Financing in Debt Capital Markets

GAZPROMBANK WAS NO. 1 SUSTAINABLE DEVELOPMENT BOND BOOKRUNNER ON THE MOSCOW EXCHANGE IN 2019–2022 AND WAS ALSO AMONG THE TOP THREE BANKS IN TERMS OF BOND ISSUE VOLUME AND ESG BOND ISSUERS AS OF THE END OF 2022

New bond issues in responsible financing formats — green (five issues) and social (two issues) bonds — were placed on the Russian market by development institutions and issuers with state participation (including Special Purpose Company for Project Finance Infrastructure Notes, DOM.RF Mortgage Agent, Atomenergoprom, and Rostelecom) in 2022.

The total volume of seven issues, including the four issues arranged by Gazprombank, amounted to RUB 106.2 billion, which is comparable to the volume of primary market placements in 2020 (RUB 111.6 billion, including green perpetual bonds of Russian Railways JSC).

Customers used the proceeds from bond placements organized by the Bank to finance and refinance various projects, including those related to the construction of energy-efficient housing and infrastructure as well as renewable energy facilities, and connecting socially important facilities to the internet.

CASE STUDY: ATOMENERGOPROM, GREEN EXCHANGE-TRADED BONDS SERIES 001P-02 (6 DECEMBER 2022) FOR RUB 9 BILLION

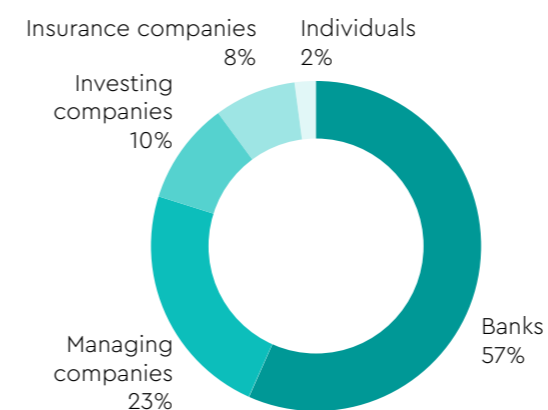
A successful placement of Atomenergoprom's second issue of green bonds on the Russian debt market. The bonds were included in the Sustainable Development Sector of the Moscow Exchange.

The Issuer plans to use the proceeds to refinance investments of Rosatom State Corporation under the project for the construction of 375 MW wind power plant under the Wind Power strategic program.

The bond issue fully complies with the Green Bond Principles (GBP) of the International Capital Markets Association (ICMA), the criteria of a green financial instrument in accordance with Decree No. 1587 of the Government of the Russian Federation dated 21 September 2021, and is also green pursuant to Regulation No. 706-P of the Bank of Russia dated 19 December 2019. The issue was verified by Expert RA.

More than an eightfold over-subscription led to three successive downward revisions of the marketing range and made it possible to close the order book 40 bps lower than the limit of the initial target (8.95% per annum), the lowest among offerings by AAA issuers for three-year maturities over 2022.

Figure 1.
Distribution of investors by type



The Bank participated in the development and introduction of new financing formats in the Russian market, such as sustainability-linked bonds, climate transition bonds, and transition bonds. Taking into account these innovations, the Bank offers services in respect of responsible financing instruments in the debt capital markets:

1. Advice on the choice of strategy and responsible financing instrument for sovereign, municipal, corporate bond issuers and financial institutions on the debt capital markets.
2. Organization of the floatation of ESG bonds on the Russian market in the following formats:
 - green bonds;
 - social bonds;
 - sustainability bonds;
 - sustainability-linked bonds;
 - climate transition bonds;
 - transition bonds.

Sustainable Development Consulting

IN ADDITION TO RESPONSIBLE INVESTING, THE BANK OFFERS ITS CORPORATE CUSTOMERS A RANGE OF ENVIRONMENTAL AND SUSTAINABLE DEVELOPMENT CONSULTING SERVICES

In particular, the Credit Rating and Sustainable Development Advisory Department provides a range of services in this area.

DIAGNOSTICS AND DEVELOPMENT OF RECOMMENDATIONS

- Analysis of sustainable development best practices in the sector.
- Analysis of external sustainable development requirements (including legislative, rating agency, investor, bank, insurance company, stock exchange and other requirements).
- Gap analysis of the company's current practices and the sustainable development requirements/expectations of the market and regulators.
- Development of recommendations and drawing up a road map for improving the customer's profile in light of the best practices and any external requirements/recommendations.

CONSULTING ON CLIMATE CHANGE ISSUES

- Quantitative emissions and product carbon footprint assessment.
- Advisory and methodological support in the preparation and verification of climate reporting.
- Advisory and methodological support in developing a decarbonization strategy or other climate management documents (climate policy, etc.).
- Support in the preparation, external evaluation, and implementation of climate projects.

SUPPORT IN OBTAINING AND IMPROVING SUSTAINABLE DEVELOPMENT ASSESSMENTS (RATINGS)

- Support in selecting the most relevant rating agency (taking into account the customer's needs and stakeholders, how prepared they are, and the conditions for obtaining an assessment (rating), including work with rating agencies in the Asia-Pacific and China).
- Analysis of the company's compliance with the assessment (rating) criteria.
- Assistance with the completion of questionnaires.
- Support during communications with the rating agency.
- Preparation of presentations for the rating agency.
- Development of a roadmap for further obtaining and/or improvement of sustainable development ratings.

SUPPORT IN VERIFICATION AS PART OF ATTRACTING RESPONSIBLE FINANCING

- Analysis and selection of the customer's projects in line with the principles of green/social/sustainability-linked bonds or green/sustainable financing according to the chosen standards (ICMA/CBI/LMA, Russian/EU/Chinese taxonomy).
- Formulation of proposals on the choice of the verifier and financing format.
- Consulting on filling out the verifier's questionnaire for the verification process.
- Preparation of the project concept.
- Support during communications with the verifier.
- General monitoring of compliance with sustainable financing principles throughout the project.

In 2022, the Bank provided sustainable development consulting services for companies in the metallurgical, engineering, and petrochemical industries as well as to a development institute.

CASE STUDY 1

An example of diagnostics and recommendations provided by the Bank in 2022 is sustainable development consultancy for a major steel company in the following areas:

1. Gap analysis of the company's compliance with external requirements/recommendations and best sustainable development practices.
2. On-site assessment of the customer's production assets:
 - Interviews with top management.
 - Production site/workshop visits and visual inspection of the production process.
 - Local documentation assessment.
3. Detailed recommendations in the following areas:
 - Corporate governance in the field of sustainable development.
 - Strategy and KPIs in the field of sustainable development.
 - Public reporting system in the field of sustainable development.
 - Internal sustainable development documents.
 - Global and industry sustainability initiatives.
 - Responsible financing.
 - Sustainable development assessments (ratings).

CASE STUDY 2

An example of climate-related consultancy services provided in 2022 is advice on the calculation of GHG emissions for a group of companies in the petrochemical industry in the following areas:

1. Production site visits, interviews with the customer's specialists, identifying GHG emission sources, and collection of baseline data.
2. Production process analysis.
3. Quantification of gross and specific (per ton of manufactured products) GHG emissions.
4. Development of a detailed quantification methodology.

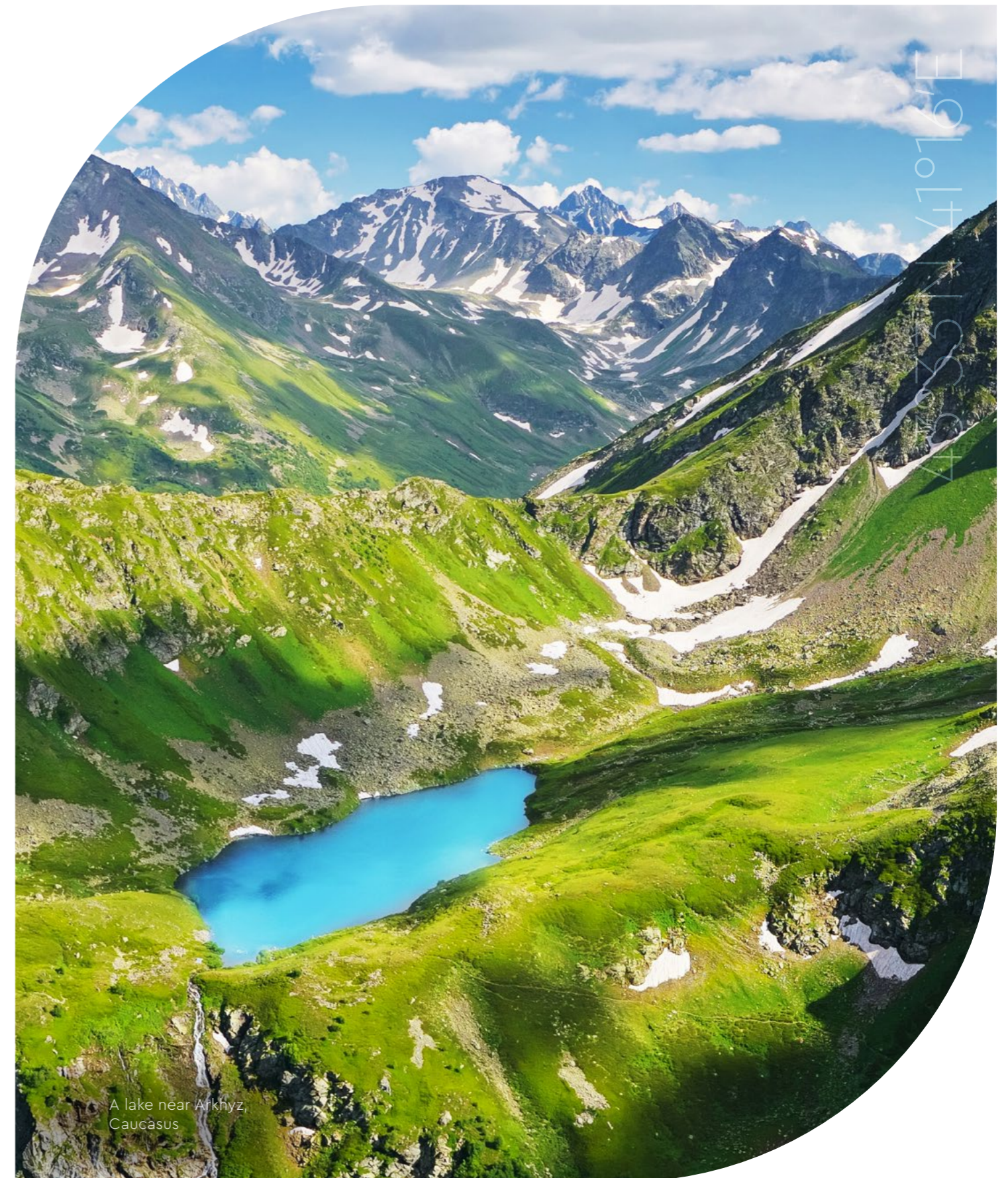
Gazprombank's Environmental Solutions

GAZPROMBANK PROVIDES INFORMATION AND CONSULTING SUPPORT TO CORPORATE CUSTOMERS AND GOVERNMENT AGENCIES REGARDING ENVIRONMENTAL AND CLIMATE ISSUES:

- Strategic consulting and analytical support to government agencies and corporate customers on environmental issues, climate change adaptation, energy transition, and combating climate change.
- Consulting services for carbon market participants, including full-cycle support for the implementation of climate projects, trading, and selecting a portfolio of carbon units to purchase.
- Technological consulting, including preparation of documentation for obtaining an Integrated Environmental Permit (IEP).
- Circular economy consulting, including support of activities under the Extended Responsibility of Producers and Importers of Goods and Packaging (ERP) and the implementation of the green office/enterprise concept.
- Preparation of sustainability reporting.

The Bank also has many years of experience in consulting on state subsidies and the implementation of the best available technologies, offering:

- consulting in the matters pertaining to the rules and procedures related to the granting of state subsidies for the implementation of investment projects linked to the introduction of the best available technology (BAT);
- recommendations to the applicant regarding the choice of investment project and initial analysis thereof;
- consulting support for the applicant in the preparation and execution of application documentation;
- preliminary examination of the application documentation;
- support in communication with the Ministry of Finance of Russia and reporting consulting support.



A lake near Arkhyz,
Caucasus

Customer Experience and Service

In 2022, the Bank continued its efforts to improve the quality of customer service and to develop its services in the area of customer experience.

The Bank regularly collects customer feedback at all points of contact. It also conducts regular customer satisfaction surveys for all products. Customers can take part in the survey at any point of their contact with the Bank. There are also public dashboards with survey results and customer metrics. CR (Claim Rate, the ratio of the number of claims and complaints made per 1,000 active customers) is measured at every point of contact.

Based on the results, the Bank develops and implements, on a monthly basis, initiatives to reduce customer complaints across all channels and products.

Customer satisfaction indicators are also used as motivators for employees:

- The Voice of Customer (VOC) indicators are used as motivators for the employees of the contact center (individual results), the branch office (office-wide results in 2022 with the transition to individual performance indicators in 2023), and premium banking managers (individual motivation). The total VOC score is calculated based on two metrics: CSI (Customer Satisfaction Index) and Claim Rate.
- Product teams have quarterly CR goals in the areas of their responsibility. The target indicators are analyzed monthly.

The Bank also continued the work to develop and update the Customer Journey Map (CJM) for all key products and processes carrying out a gap analysis of all CJM stages with the main competitors and quantifying the identified problems. Connecting the customer satisfaction metrics with business results helped determine:

- how customer reviews at various CJM stages as well as claims and the way the Bank handles negative feedback affect customer churn and thus the active customer base;
- how low customer ratings, the number of claims, and the way the Bank handles negative feedback affect the average operating revenue.

Before launch, each initiative of the Bank is quantified in terms of its effect on customer loyalty, finances, and customer churn. Based on the result, the Bank decides if it wants to adjust it or launch as is.

To make sure that Gazprombank's products and processes are created with the customer at the forefront, the Bank carries out regular usability studies on prototypes before development as well as after development and up to the active promotion of the product. This approach allows the Bank to timely adjust and release products that are as clear to customers as possible and do not result in numerous claims.

KEY FINDINGS ON THE CUSTOMER EXPERIENCE INDICATOR DYNAMICS

- Claim Rate: 7.7 in 2021 vs. 7.8 in 2022 (+1%).

Despite the Bank's initiatives to improve CLR, the overall result has slightly deteriorated due to DDoS attacks in 2022.

Key products show a positive trend:

- Debit cards: Claim Rate: 1.5 in 2021 vs. 1.2 in 2022 (20% improvement).
- Consumer loans: Claim Rate: 2.4 in 2021 vs. 1.6 in 2022 (21% improvement).
- Mortgage: Claim Rate: 3.4 in 2021 vs. 2.7 in 2022 (30% improvement).
- Product CSI: improved from 4.08 in 2021 to 4.2 in 2022 (+3%).
- Channel CSI: improved from 4.27 in 2021 to 4.32 in 2022 (+1%).

The Bank also implemented product and channel initiatives to improve CLR.

PRODUCT INITIATIVES

- A new card activation and PIN setting process.
- Transition to instant cards and explanation of refusal reasons.
- Remote PIN change.
- Correction of transfer mistakes in the Faster Payments System (SBP) for credit cards.
- Quicker consideration of applications for consumer loans and mortgages.
- Changes in the mechanism of early repayment of consumer loans and mortgages.
- Up to RUB 1 million loans upon presentation of passport only.
- Audit and correction of errors under insurance contracts on mortgage loans.
- Favorable terms on deposits for segments and in remote banking.

CHANNEL INITIATIVES

- Chat launch.
- Service model training.
- Pre-claim issue handling.
- Simplification of NFC data transfer technology in ATMs: no need to additionally confirm each action (one-tap method).
- Revamp of mobile banking form prompts (mapping of limit errors).

Corporate Customer Care

TO STRENGTHEN AND DEVELOP RELATIONS WITH MAJOR CORPORATE CUSTOMERS, THE BANK INTRODUCED A CUSTOMER EXPERIENCE MANAGEMENT SYSTEM IN 2019 WITH THE KEY FOCUS AREAS BEING REGULAR CUSTOMER SURVEYS AND CONTINUOUS HANDLING OF CUSTOMER CLAIMS AND COMPLAINTS

Each area helps the Bank understand the current quality of services provided to customers as well as the level of interaction and the customer's perception of the Bank as a business partner.

HANDLING CORPORATE CUSTOMER CLAIMS

The claim handling process was improved in 2022. By dividing all customer claims into types, the Bank could focus on the main issues, which allowed it to:

- minimize the number of incoming and repeated complaints;
- reduce customer claim processing times;
- reduce the number of negative consideration results;
- conduct regular in-depth analysis of the reasons for customer claims;
- determine the actual needs of customers when interacting with the Bank.

The Bank also introduced a regular Claim Rate metric that allows to see the correlation between incoming claims and the active corporate customer base and promptly respond to changes.

As part of the Bank's IT transformation, it launched the process of scaling a unified omnichannel claim handling platform to corporate customers, which had been previously implemented for handling claims from individuals. This automated system is designed to centralize and systematize the handling of claims from all customers, reduce the rate of manual work by automating some processes, increase customer loyalty and satisfaction and, among other things, reduce the time needed to consider claims.

CUSTOMER SURVEYS

In 2022, the Bank regularly measured the satisfaction and loyalty of corporate customers regarding its key products and processes. The survey system is designed so as to run solely on the Bank's resources without involving third-party contractors.

All questionnaires are currently automated, which allows carrying out surveys and analyzing their results online. This system provides for regular customer loyalty and satisfaction surveys to then introduce the corresponding changes to the Bank's products and processes.

The main survey methods and metrics are as follows:

- Quantitative surveys: NPS (Net Promoter Score) and CSI (Customer Satisfaction Index).
- Qualitative surveys include in-depth interviews with the customer's key personnel, including CFOs, treasurers, and accountants.
- Usability testing of remote banking system prototypes.

SUSTAINABLE DEVELOPMENT EVENTS FOR CORPORATE CUSTOMERS

The Bank is committed to introducing new products, developing a system to engage customers in the sustainability agenda, motivating them to integrate sustainability principles into their activities, and maintaining:

- the principle of responsibility to society and employees, as well as proactive participation in the development of industry standards and commitments;
- the principle of responsible financing and competition through an open economic model, as well as helping to transform customers and counterparties;
- control of sustainability risks in counterparties, taking into account the growing needs of customers, offering quality banking products and services, as well as innovative service technologies;
- reasonable benefit and maximum convenience in customer service;
- opinion surveys to better meet customer demand for products and services;
- efforts to form long-term, favorable, and open relationships with customers;
- work with responsible customers who have a positive impact on society and the environment;
- the use of the results of environmental and social performance assessment to build a portfolio of sustainability projects.

Data Security

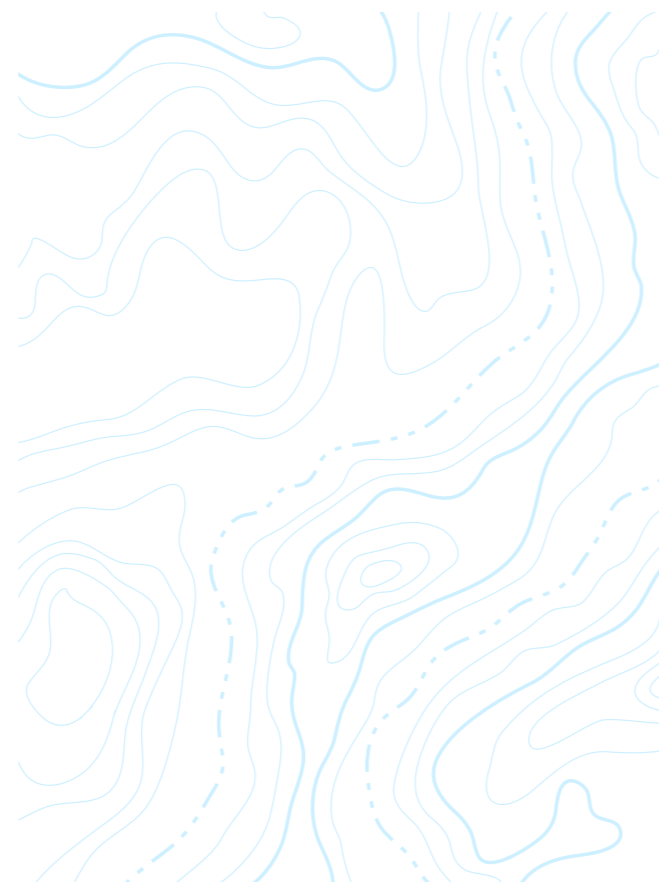
The Bank is committed to continuously improving all the applicable legal, organizational, and technical measures that have been adopted to guarantee security and protection of personal data from unauthorized or accidental access, destruction, modification, blocking, copying, provision, distribution, and any other form of unlawful action.

In accordance with the changes in the Russian Federation legislation pertaining to personal data, a new 2021 edition of the Bank's Dedicated Policy on Processing and Protection of Personal Data was adopted, and consent to the distribution of personal data obtained from all individuals, whose personal information is published on the Bank's website.

To inhibit the promotion of goods, works, and services by direct contact with potential customers using unauthorized means of communication, the Bank is currently working to improve the way it obtains consent from the customer for the processing of their personal data.

To protect its customers' personal data, the Bank uses a variety of software solutions that not only provide access to the information within the scope of employee's competence, but also act to control potential leaks of information brought about either by the onset of a computer virus or the ill-considered actions of a member of the banking staff.

Training courses for new employees are conducted to familiarize them with the principles of information confidentiality; the Bank is committed to cultivating the attitude of care and attention regarding the personal data of its customers to prevent any leaks, including unintentional loss or disclosure.



Kizhi island,
Lake Onega
in the Republic
of Karelia

RESPONSIBILITY TO SOCIETY



Gazprom Arena,
St. Petersburg

59°57'N 30°19'E

Inclusive Environment

In 2022, the Bank took a number of measures to make it more accessible to customers with special needs. As part of the systemic approach to the implementation of the Sustainable Office Concept, the Bank strives to improve the accessibility of its branches for customers with limited mobility and disabilities.

IN 2022, THE BANK APPROVED THE PROGRAM FOR STEP-BY-STEP ADAPTATION OF ITS OFFICES FOR CUSTOMERS WITH SPECIAL NEEDS. AS A RESULT OF THE THREE-YEAR PROGRAM, ABOUT 50% OF THE BANK'S BRANCH OFFICES WILL BE ADAPTED AND CERTIFIED TO SERVICE SUCH CUSTOMERS

The Bank made the following preparations under the program in 2022:

- A pilot certification project in four branch offices helped determine the standard list of the necessary works, adaptation scenarios, and budget.
- The first 12 branch offices were selected for certification, with procurement procedures carried out and the contractor determined.
- The list of branch offices for partial adaptation as part of the first wave of the program implementation was determined (86 offices).
- Requirements for information signs and the business hours signs for branch offices entrances were developed taking into account Braille for better accessibility.

The Bank regularly monitors office infrastructure in terms of accessibility (contrast markings on the entrance door, contrast stripes on the steps, employee call buttons, and ramp cleanliness in fall and winter). All violations are promptly eliminated.

The Bank also continued work on the adaptation of its IT services, which includes its website and mobile application. In 2022, a special Accessible Environment section for customers with special needs was added to the Bank's website, providing information on useful services and products.

The website was also tested to determine accessibility for customers with disabilities. Testing results helped develop measures to address the identified shortcomings. The mobile app now allows selecting offices accessible for customers with limited mobility. Of course, customers with disabilities, customers with children under three years old, pregnant women, and elderly customers never have to wait at our offices.

The Bank will continue to implement measures to improve accessibility in 2023.

We are together!

Support of the Youth and Students and University Collaboration

GAZPROMBANK IS MINDFUL OF ITS WORK WITH THE YOUTH. THE BANK INTERACTS DIRECTLY WITH THE STUDENTS UTILIZING THE CHANNELS AND TOOLS OF COMMUNICATION THAT ARE MOST FAMILIAR TO THEM: SOCIAL MEDIA, CAREER-RELATED PUBLIC PAGES, AND YOUTH COMMUNITIES

Over 150 Russian institutes of higher education are currently in partnership with the Bank. The Bank cooperates with 16 research universities and 8 federal universities.

The funds of 38 university endowments are in trust management with the Bank. The total sum under trust management amounts to around 3.5 billion rubles. The Bank aims to support and provide long-term assistance to the development of university endowments, and to popularize the culture of mass fundraising in Russia.

More than 170,000 students and 30,000 university employees use the Bank's cards and products. One of the most popular services among educational institutions is the campus project. The implementation of the campus project contributes to the economic efficiency of the institutions and reduces the cost of their IT operations.

The Bank integrates the technology that provides access to the digital environment of the institutions (pass entry system, electronic library, personal account, etc.) with the stipend or payroll bank cards. When implementing campus projects, the Bank may provide charity support to educational institutions to develop their infrastructure.

To support students and young professionals, the Bank implements more than 25 scholarship programs (including those run jointly with the Legal Education Association for law school students) for the winners of the Student of the Year award and the Russian Student Spring competition. Each year, around 100 students become scholarship recipients.

The Bank supports the running of a master's program at the Moscow State Institute of International Relations. The Gazprombank Department of Economics and Banking Business has been opened at the International Institute of Energy Policy and Diplomacy at MGIMO. In the Department, and on the Bank's initiative, a master's program in International Banking Business has been running since 2012. Since the very start of the program, its students are offered internships at Gazprombank's most important departments with a view to their future employment. Since the founding of the Department of Economics and Banking Business, 46 of the program's 105 graduates have taken up employment with the Bank.

Strategic cooperation between the Bank and the Russian Presidential Academy of National Economy and Public Administration (RANEPA) began in 2015. Every year, the Bank allocates 2 scholarships to RANEPA's best students. Gazprombank's Digital Technology and Data Analysis Department has been in operation at RANEPA since 2018. The department runs master's courses in the area of IT and has an annual enrollment of around 10 students. The Bank steps in as the general partner and sponsor of the Academy's Gaidar Forum ran by RANEPA on an annual basis. The Academy often acts as the Bank's partner when scientific assessments are being prepared for implementation of the infrastructure projects based on PPP principles in the various regions of Russia.

Support of Science and Technology

GAZPROMBANK IS AN INVESTOR IN A RUSSIAN SCIENCE CENTER WITH AN AREA OF 4,000 SQ. M, WHICH ALREADY HOUSES 13 LABORATORIES WITH STATE-OF-THE-ART EQUIPMENT AND A UNIQUE MAGNETIC ISOLATION CHAMBER THAT WEAKENS EXTERNAL MAGNETIC FIELDS BY A THOUSAND TIMES

There are 17 research groups working on fundamental research in the field of quantum technologies, which include Russian and international scientists as well as students from leading specialized universities. Apart from scientific activities, they can work on applied projects.

One of the projects supported by Gazprom is focused on the development of highly sensitive magnetic field sensors and integrated biomedical solutions based on them. This project has already demonstrated the possibility of registering brain signals using these sensors. A device for diagnosing epilepsy is also currently under development.

Gazprombank also supported the launch of another research area based on the biomedical application of these sensors, namely an interdisciplinary project on theranostics (combined diagnostics and therapy) of a wide range of diseases.

Support of Cultural Events

In 2021, a new metric — Awareness of the Bank's Support of Cultural Events — was added to the set of metrics already being used to monitor the public perception of the Bank's image. The dynamics of this metric were analyzed monthly and demonstrated steady improvement. Starting at 16% in February 2021, it increased to 20.1% by the end of 2022.

As part of the partnership with Maly Theater, which was visited by more than 220,000 people in 2022, the Bank launched a special New Dimension AR project that allowed guests use their smartphones to explore the theater foyer and learn about the famous people who made the theater what it is today.

VK Fest 2022, Russia's largest music and entertainment festival, became a new partner for the Bank. The Bank created themed areas in the two key festival locations — Gorky Park in Moscow and the Park of the 300th Anniversary of Saint Petersburg — that helped guests learn not only about the Bank's values but also its products. More than 20 thousand people participated in the Bank's activities in two days. Survey showed that more than 60% of the festival guests (more than 180 thousand people) felt positive about the Bank's support of the event.

In September 2022, the Bank became a partner of the Museum of Moscow. Together, they will carry out a major study of the banking history of the city and the country as a whole and offer lectures, tours, and digital projects about banking in Moscow in 2022 and 2023.

Cultural events support dynamics

2022 SAW AN IMPROVEMENT IN THE PERCEPTION OF THE BANK UP TO

20.1%

Cultural projects supported by the Bank for many years now include the Igor Moiseyev State Academic Ensemble of Popular Dance, the Russian Dance Union, the Viennese Ball, Associazione Conoscere Eurasia, Pesenka Goda festival, Igor Butman's jazz festivals, and more.

Support of Sport

TO PROMOTE A HEALTHY LIFESTYLE, THE BANK SPONSORS ORGANIZATIONS THAT DEVELOP SUCH SPORTS AS FOOTBALL, HOCKEY, ROWING, TENNIS, HANDBALL, DANCE, AND ACROBATIC ROCK'N'ROLL

In 2022, the Bank continued to develop its partnership with the Russian Football Union, FC Zenit, SKA Saint Petersburg and the Avtomobilist Hockey Club, the Race of Heroes, Belokamennaya Children's Tennis School, and others. It also became an official partner of the Russian First League, which brings together 18 professional football teams from Kaliningrad all the way to Khabarovsk. The games were broadcast on the federal Match TV channel with an audience exceeding 12.4 million people.

Gazprombank consistently ranks among the top three Russian banks in terms of awareness of support of sports events. From the beginning of 2021 and to the end of 2022, it showed the best growth (+2.8 pp) out of all banks in the country.

The Bank organized many fan events together with the Russian Football Union throughout 2022. For example, the Russian National Team's home games, the final of the Russian Cup, the Women's and Men's Russian Super Cups, and even the Bank's zone at VK Fest 2022 in Moscow came with complex activations featuring legendary soccer players, workshops, mini tournaments for fans, and raffles from the Bank. More than 120 thousand people across the country took part in these events. The Bank also collaborated with the Russian Football Union to release a new season of the Mom Knows All show on AvtoRadio where the mothers of famous soccer players shared stories from their childhoods and the way to success. More than 4.2 million people tuned in to listen to the ten-episode season.

The most ambitious program in 2022 was the partnership with FC Zenit (St. Petersburg), the flagship Russian soccer club.

A large-scale entertainment program for fans of all ages was organized at each home game at Gazprom Arena with Gazprombank's support. On average, up to 15 thousand people participated in the Bank's marketing zones at the stadium at each game.

The Gazprombank Hospitality Zone, a space for the Bank's VIP customers and guests created at Gazprom Arena in 2021, won in the Best Work with VIP Audience (Hospitality Programs) category of the prestigious sports marketing MARSPO AWARDS 2022.

Special attention was paid to Zenit's digital channels. The Bank continued supporting Locker Room, its main VK show, and launched new talk show Warm-Up that features legendary players of the club and famous fans from St. Petersburg. They also held a series of contests on the club's social media pages. The total reach of online activities exceeded 1.2 million people.

A flagship project for the construction and opening of a sensory room at Gazprom Arena was also implemented in 2022 as part of the cooperation agreement between FC Zenit and Gazprombank's Social Responsibility charitable foundation.

A sensory room is an area for psychological relief and a recreation area with equipment that stimulates one's senses as well as various developmental activities for persons with special needs. It allows minimizing external stimuli such as bright lights, loud noises, or crowds, and creates the necessary conditions for fans with special needs to enjoy the stadium. The sensory room comes with special equipment based on the guests' categories and ages as well as the room layout. It is designed to both provide relaxation and activate the potential of people with special needs.

The sensory room at Zenit's home stadium was unveiled by the club and the Bank's foundation before the Zenit vs. Spartak game on 27 November 2022. This is the first unique room for special-needs fans at a soccer arena in Russia.

The first ones to visit it were the team of the 47 In the Game football club for people with Down's syndrome and students of the Anton's Right Here charity fund for systemic support of people with autism.

The Zenit vs. Spartak game was the most watched Russian Cup match since 2018, attracting more than 7,100,000 people.

Sponsorship and Charity

Every year, the Bank organizes more than 300 charity and sponsorship projects in the following areas: support for low-income groups, cultural, scientific, artistic, and educational institutions, public organizations, including those working in the field of environmental protection, sports organizations, teams, and clubs, as well as the scientific research forums and conferences.

GAZPROMBANK PROVIDES ANNUAL SUPPORT TO THE LAND OF THE LEOPARD FOUNDATION AND THE AMUR TIGER CENTER, BOTH FOCUSED ON PROTECTING THE ENVIRONMENT AND SAVING THESE UNIQUE AND ENDANGERED SPECIES

A large part of the Bank's charity activities is devoted to helping low-income groups, such as the veterans' organizations, orphanages, and residential schools. One of the most important objectives in this area is to support the orphaned children. For many years, the Bank has been a donor of the Interregional Charitable Public Organization "Children's Villages — SOS." The organization offers children an alternative to life in an orphanage. The villages provide children with living conditions as close as possible to those found in an ordinary family.

The Bank regularly allocates funding to help seriously ill children, targeting funds both at individuals and entire medical institutions; it also funds the purchase of medical supplies and special medical equipment.

APPENDICES



43°44'N 134°25'E

The Siberian Tiger,
Primorye Territory

Appendix 1

Organizations the Bank is a Part of as of the End of 2022

- United Nations Environmental Program Financial Initiative (UNEP FI)
- Self-Regulatory Organization "National Finance Association"
- PARTAD Professional Association of Registrars, Transfer-Agents, and Depositories
- National Association of Securities Market Participants (NAUFOR)
- International Project Finance Association
- Russian National SWIFT Association
- National Association of Technology Transfer
- MasterCard Members' Association (previously Russian Europay Members Association)
- International Swaps and Derivatives Association
- International Capital Markets Association
- Russian Corporate Counsel Association RCCA
- International Bar Association
- Cash and Valuables Management Association
- Financial Technology Association (FTA, FinTech)
- Association of Banks of Russia (Association "Russia")
- Association of Organizers of Student Olympiad "I am a Professional"

Appendix 2

GHG Emission Factors

SCOPE 1

Stationary combustion

Emissions from stationary power plants

Source	Fuel type	Units of measurement	Emission factor
Order No. 15-r of the Ministry of Natural Resources of the Russian Federation "On Approval of Methodological Recommendations for Voluntary Inventory of Greenhouse Gas Emissions in the Constituent Entities of the Russian Federation" dated 16 April 2015	diesel fuel	kg CO ₂ equivalent/kg FOE	2.17
	natural combustible gas	kg CO ₂ equivalent/m ³	1.79

SCOPE 1

Mobile combustion (vehicles)

Vehicle emissions. Calculation based on fuel consumption, l

Source	Fuel type	Units of measurement	Emission factor
Order No. 15-r of the Ministry of Natural Resources of the Russian Federation "On Approval of Methodological Recommendations for Voluntary Inventory of Greenhouse Gas Emissions in the Constituent Entities of the Russian Federation" dated 16 April 2015	A1-92 gasoline	kg CO ₂ equivalent/l	2.226
	A1-95 gasoline	kg CO ₂ equivalent/l	2.271
	A1-98 gasoline	kg CO ₂ equivalent/l	2.317
	diesel fuel	kg CO ₂ equivalent/l	2.677

SCOPE 1

Refrigerant leaks

Refrigerant emissions

Source	Refrigerants	Units of measurement	GWP
Decree No. 2979-r of the Government of the Russian Federation "List of Greenhouse Gases Subject to State Accounting of Greenhouse Gas Emissions and Greenhouse Gas Inventory" dated 2 October 2021	R-22 (HCFC-22) CHClF ₂	GWP	1,810
	R-410A (50% HFC-32 50% HFC-125)	GWP	2,088
	R-407A (20% HFC-32 40% HFC-125 40% HFC-134a)	GWP	2,107
	R-407C	GWP	1,774
	R-32 32 Frio+	GWP	675
	R-404A	GWP	3,922
	HFC-134	GWP	1,100

SCOPE 2

Electricity consumption

Emissions from electricity consumption

Source	Year	Units of measurement	Emission factor
NP Market Council Association https://www.atsenergo.ru/results/co2 First IPS synchronous zone of Russia (except East UPS)	2019	kg CO ₂ equivalent/kWh	0.329
	2020	kg CO ₂ equivalent/kWh	0.329
	2021	kg CO ₂ equivalent/kWh	0.336
	2022	kg CO ₂ equivalent/kWh	0.348
East UPS (data from annual reports of DGK JSC (Far East Generation Company), www.dvgk.ru)	2019	kg CO ₂ equivalent/kWh	0.814
	2020	kg CO ₂ equivalent/kWh	0.774
	2021	kg CO ₂ equivalent/kWh	0.776
	2022	kg CO ₂ equivalent/kWh	0.765

SCOPE 2

Heat consumption

Emissions from heat consumption

Source	Region	Units of measurement	Emission factor
Estimated value (see Methodological Guideline)	All regions except the Far Eastern Branch, 2019	kg CO ₂ equivalent/ Gcal	280.87
	All regions except the Far Eastern Branch, 2020	kg CO ₂ equivalent/ Gcal	259.4
	All regions except the Far Eastern Branch, 2021	kg CO ₂ equivalent/ Gcal	252.23
	All regions except the Far Eastern Branch, 2022	kg CO ₂ equivalent/ Gcal	252.23
2019 DGK JSC Annual Report	Far Eastern Branch, 2019	kg CO ₂ equivalent/ Gcal	375.73
2020 DGK JSC Annual Report	Far Eastern Branch, 2020	kg CO ₂ equivalent/ Gcal	365.82
2021 DGK JSC Annual Report	Far Eastern Branch, 2021	kg CO ₂ equivalent/ Gcal	362.77
2022 DGK JSC Annual Report	Far Eastern Branch, 2022	kg CO ₂ equivalent/ Gcal	356.09

SCOPE 3

Waste

Emissions from waste management

Source	Waste type	Emission factor (t CO ₂ equivalent)	
		Waste management method	
		recycling	disposal
GHG Emission Factors Hub Source: https://www.epa.gov/climateleadership/ghg-emission-factors-hub	Paper and cardboard waste from office activity and paperwork	0.03	0.75
	Mixed metals	0.23	0.02
	Mixed plastics	0.22	0.02
	Mixed waste (MSW)	0.09	0.68

Emissions from recycling include transport to a recycling facility and sorting of recycled materials at the recycling facility. Landfill emissions include transport to the landfill, use of equipment in the landfill and fugitive emissions of CH₄.

Conversion of mixed waste (MSW) from m³ to tons

Source	Recommended data on MSW generation		
	Waste collection system	Average per capita MSW generation, kg/person/year	MSW density, kg/m ³
Order No. 15-r of the Ministry of Natural Resources of the Russian Federation "On Approval of Methodological Recommendations for Voluntary Inventory of Greenhouse Gas Emissions in the Constituent Entities of the Russian Federation" dated 16 April 2015	Urban areas	225	210
	Rural areas	350	270

SCOPE 3

Paper consumption

Emissions from purchased paper production for printing and copying equipment, t

Source	Description of goods	Emission factor	
		kg CO ₂ equivalent/t	kg CO ₂ equivalent/ream
UK Government GHG Conversion Factors for Company Reporting 2021, Material use tab Source: https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting	paper in reams, 500 sheets	919,4	2,299

The weight of one 500-sheet ream of A4 paper is 2.5 kg, so $K_{ream} = 2.299$ kg CO₂ equivalent.

Appendix 3

Limited Assurance Report of an Independent Auditor Regarding the GHG Statement of Gazprombank (Joint Stock Company) for 2022

INTRODUCTION

The management of Gazprombank (Joint Stock Company) (the Management, the Company) has contracted us for a limited assurance engagement to make a report on the direct and indirect greenhouse gas emissions statement for 2022 (GHG Statement) provided in the Report on the Bank's Carbon Footprint in 2022 (the Report).

Based on our work, we can draw a conclusion that provides limited assurance regarding the reliability, in all material aspects, of the Management's representation that the GHG Statement has been prepared in accordance with the applicable criteria (see the Applicable Criteria section hereof) and is free of material misstatement.

Our conclusion relates solely to the GHG Statement provided in the Management Representation section hereof and presented in the Report in the first paragraph of the Assessment Results section. Our conclusion does not apply to any other information presented in the Report.

THE MANAGEMENT'S RESPONSIBILITY

The Management is responsible for the preparation of the GHG Statement free of misstatement in accordance with the applicable criteria and for the content of such information.

This responsibility includes the development, implementation and maintenance of an internal control system necessary to prepare the GHG Statement free of material misstatement, whether due to fraud or error. This responsibility also includes selecting the applicable criteria, selecting and applying applicable criteria methods, selecting and applying greenhouse gas quantification methods and related reporting policies, preventing and detecting acts of fraud, identifying and complying with the laws and regulations applicable to the Company's operations, making judgments and estimates that are believed to be reasonable under the current circumstances, and maintaining adequate documentation regarding the GHG Statement.

OUR RESPONSIBILITY

Our responsibility is to carry out procedures to obtain proof of the GHG Statement prepared by the Management and provide an opinion that includes a conclusion providing limited assurance about the Management's statement regarding the GHG Statement based on the obtained evidence.

We have performed our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410, "Assurance Engagements on Greenhouse Gas Statements" (ISAE 3410) issued by the International Auditing and Assurance Standards Board.

ISAE 3410 requires that we plan and perform our procedures so as to obtain a limited level of assurance as to the reliability, in all material aspects, of the Management's representation that it has prepared the GHG Statement in accordance with the applicable criteria and free of material misstatement.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We comply with the independence and professional ethics requirements set out in the Russian Rules of Independence for Auditors and Audit Organizations and the Russian Code of Ethics for Professional Auditors, as well as the International Code of Ethics for Professional Accountants (including international independence standards) of the International Code of Ethics for Professional Accountants, which are based on the fundamental principles of honesty, objectivity, professional competence and due diligence, confidentiality, and professionalism.

We apply the International Standard on Quality Management (ISQM) 1, which requires our organization to develop, implement, and maintain a quality management system, including rules or procedures for compliance with ethical requirements, professional standards, and applicable regulatory requirements.

PROCEDURES

A limited assurance engagement performed in accordance with ISAE 3410 involves assessing whether, in the Company's circumstances, it is appropriate to use the applicable criteria as a basis for preparing the GHG Statement, assessing the risks of material misstatement of such information, whether due to fraud or error, performing actions in response to the assessed risks as the circumstances warrant, and assessing the overall presentation of the GHG Statement.

The selection and determination of the nature, timing and extent of such procedures are subject to our professional judgment, including our assessment of the risk of material misstatement in the preparation of the GHG Statement, whether due to fraud or error, our understanding of the Company's business, and other circumstances of the engagement.

When assessing this risk, we considered the internal control system as it relates to the preparation of the GHG Statement in order to develop procedures that would be appropriate under the circumstances, but not for the purpose of forming a conclusion on the effectiveness of such a system. Our engagement also included assessing if the sources of GHG emissions considered in the preparation of the GHG Statement are appropriately identified, if the applicable criteria used in the preparation of the GHG Statement are appropriate given the circumstances of the engagement, if the GHG quantification methods, policies and procedures used in the preparation of the GHG Statement are appropriate, and if the estimated values generated in accordance with the Guidelines are appropriate.

Developed on the basis of our risk assessment, our procedures are based on our professional judgment and include, but are not limited to, the following:

- assessing compliance with the applicable GHG Statement criteria;
- assessing the justification and applicability of the key assumptions;
- requesting information in order to gain insight into the operational conditions affecting the GHG Statement;
- conducting interviews with the representatives of the Management and responsible employees of the Company regarding internal procedures of data collection for the preparation of the GHG Statement;
- requesting and analyzing information to assess the completeness of the emission source inventory, data collection methods, evaluation of input data, and relevant assumptions applicable to the terms of the engagement;
- requantification of GHG emissions;
- inspection of supporting documentation.

Procedures under a limited assurance engagement differ in nature and timing and are less comprehensive than those under a reasonable assurance engagement. As such, the level of confidence achieved as a result of a limited assurance engagement is considerably lower than that achieved as a result of a reasonable assurance engagement.

Therefore, we do not express an opinion that provides reasonable assurance in regard of the preparation of the GHG Statement in all material aspects in accordance with the applicable criteria.

APPLICABLE CRITERIA

The applicable criteria include the corresponding requirements and recommendations for GHG quantification methodology as well as the necessary reference information contained in the following documents:

- GOST R ISO 14064-1:2021 Greenhouse Gases. Part 1. Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals¹.
- Order No. 371 of the Ministry of Natural Resources and Environment of the Russian Federation "On Approval of Methods of Quantification of Greenhouse Gas Emissions and Greenhouse Gas Removals" dated 27 May 2022².
- Order No. 330 of the Ministry of Natural Resources and Environment of the Russian Federation "On Approval of Guidelines for Quantification of Indirect Energy Emissions of Greenhouse Gases" dated 29 June 2017³.

THE MANAGEMENT'S REPRESENTATION

The Management represents that the following GHG Statement for 2022 included in the Assessment Results section of the Report has been prepared in accordance with the applicable criteria and is free of material misstatement:

1. GOST R ISO 14064-1:21 Greenhouse Gases. Part 1. Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals.
2. Order No. 371 of the Ministry of Natural Resources and Environment of the Russian Federation dated 27 May 2022 · Official publication of legal acts · Official online portal of legal information (pravo.gov.ru)
3. Order No. 330 of the Ministry of Natural Resources and Environment of the Russian Federation "On Approval of Guidelines for Quantification of Indirect Energy Emissions of Greenhouse Gases" dated 29 June 2017 (pravo.gov.ru).

GREENHOUSE GAS EMISSIONS OF GAZPROMBANK

Parameter	Emission factor (t CO ₂ equivalent)
Direct GHG emissions (Scope 1)	9,129
Indirect GHG energy emissions (Scope 2)	35,774
Total GHG emissions (Scope 1 and Scope 2)	44,903

LIMITATIONS

GHG quantification involves uncertainties unavoidable due to the incompleteness of the scientific knowledge used to determine the emission calculation factors for different gases.

CONCLUSION

Our conclusion has been formed on the basis and in the light of the aspects described in this opinion. We believe that the evidence obtained by us is sufficient and appropriate to provide a basis for our conclusion.

In the course of our procedures, nothing has come to our attention that would give us a reason to believe that the Management's representation that the GHG Statement was prepared in accordance with the applicable criteria and is free of material misstatement is not, in all material respects, accurate.

RESTRICTION ON THE USE OF THIS CONCLUSION

Our conclusion has been prepared for the Company's shareholders and management solely in connection with the Company's presentation of the GHG Statement in the Report and is not intended for use for any other purpose or in any other context.



Tatiana Krasnikhina
Director, Kept JSC

Moscow, Russia
4 December 2023



GAZPROMBANK

SUSTAINABLE
DEVELOPMENT

